

COMMITTEE ON APPROPRIATIONS
SENATE AMENDMENTS TO H.B. 2209
(Reference to House engrossed bill)

Strike everything after the enacting clause and insert:

"Section 1. Subject to applicable laws, the sums or sources of revenue set forth in this act are appropriated for the fiscal years indicated and only from the funding sources listed for the purposes and objects specified and the performance measures are indicated as legislative intent. If monies from funding sources in this act are made unavailable, no other funding source shall be used.

Sec. 2. DEPARTMENT OF ADMINISTRATION

2008-09

State general fund

FTE positions	301.3
Operating lump sum appropriation	\$ 19,181,100
ENSCO	2,867,300
Arizona financial information system	1,115,200
Statewide telecommunications management contract lease payment	851,800
Utilities	625,700
County attorney immigration enforcement	<u>2,430,000</u>
Total - general fund	\$ 27,071,100

Performance measures:

Per cent of ADOA services receiving a good

(6) or better rating from customers,
based on annual survey (Scale 1-8) 85

Per cent of procurement plan award dates
met for the RFP process 77

Customer satisfaction with establishing
contracts (Scale 1-8) 6.9

Customer satisfaction with administering
contracts (Scale 1-8) 6.7

Customer satisfaction rating for the
operation of AFIS (Scale 1-8) 7.5

Average capitol police response time to
emergency calls (in minutes and seconds) 1:40

The department may collect an amount of not to exceed \$1,762,600 from other funding sources, excluding federal funds, to recover pro rata costs of

operating AFIS II. Any amounts left unspent from the Arizona financial information system line item shall revert to the state general fund.

The \$2,430,000 appropriated to the county attorney immigration enforcement line item shall be distributed as follows: \$1,430,000 to each county attorney of a county in this state having a population of 1,500,000 or more persons and \$500,000 to each county attorney of a county in this state having a population of 800,000 or more persons but less than 1,500,000 persons. The remainder of the monies are to be distributed as equally as possible to each county attorney of counties in this state having a population of less than 500,000 persons. County attorneys may enter into agreements with county sheriffs or other law enforcement agencies or jurisdictions for the purposes of implementing section 23-212, Arizona Revised Statutes. These appropriations are exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

Air quality fund

Lump sum appropriation	\$ 850,100
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Performance measures:

Customer satisfaction with all travel reduction services (Scale 1-8)

6.7

The amounts appropriated for the state employee transportation service subsidy shall be used for up to a one hundred per cent subsidy of charges payable for transportation service expenses as provided in section 41-786, Arizona Revised Statutes, of nonuniversity state employees in a vehicle emissions control area as defined in section 49-541, Arizona Revised Statutes, of a county with a population of more than four hundred thousand persons.

Capital outlay stabilization fund

FTE positions	56.7
Operating lump sum appropriation	\$ 5,650,100
Utilities	7,349,900
Relocation	<u>60,000</u>
Total - capital outlay stabilization fund	\$ 13,060,000

Performance measures:

Customer satisfaction rating for building maintenance (Scale 1-8)

6.5

Monies in the relocation line item are exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, until December 31, 2009.

Corrections fund

FTE positions	9.3
Lump sum appropriation	\$ 741,700

The intent of the legislature is for the amount appropriated from the corrections fund to be expended solely for the oversight of construction projects benefiting the state department of corrections or the department of juvenile corrections.

Motor vehicle pool revolving fund

1 FTE positions 19.0
2 Lump sum appropriation \$ 12,737,800
3 Performance measures:
4 Customer satisfaction with short-term (day use)
5 vehicle rental (Scale 1-8) 7.7
6 It is the intent of the legislature that the department not replace
7 vehicles until an average of 120,000 miles, or more.
8 Telecommunications fund
9 FTE positions 22.0
10 Lump sum appropriation \$ 3,181,700
11 Telecommunications fund -
12 infrastructure improvements
13 account
14 Lump sum appropriation \$ 4,713,700
15 Performance measures:
16 Customer satisfaction rating for the wide area
17 network (MAGNET) (Scale 1-8) 6.4
18 Customer satisfaction rating for statewide
19 telecommunications management contract
20 services (Scale 1-8) 6.0
21 All telecommunications fund infrastructure improvements account monies
22 received by the department of administration in excess of \$4,713,700 in
23 fiscal year 2008-2009 are appropriated to the department of administration.
24 Before expenditure of any telecommunications fund infrastructure improvements
25 account monies in excess of \$4,713,700 in fiscal year 2008-2009, the
26 department of administration shall report the intended use of the monies to
27 the joint legislative budget committee. The appropriation from the
28 telecommunications fund infrastructure improvements account is an estimate
29 representing all monies, including balance forward, revenue and transfers,
30 and is exempt from the provisions of section 35-190, Arizona Revised
31 Statutes, relating to lapsing of appropriations through June 30, 2010.
32 Automation operations fund
33 FTE positions 158.4
34 Lump sum appropriation \$ 24,230,600
35 Performance measures:
36 Customer satisfaction rating for mainframe
37 services based on annual survey (Scale 1-8) 7.0
38 The appropriation for the automation operations fund is an estimate
39 representing all monies, including balance forward, revenue and transfers
40 during fiscal year 2008-2009. These monies are appropriated to the
41 department of administration for the purposes established in section 41-711,
42 Arizona Revised Statutes. The appropriation shall be adjusted as necessary
43 to reflect receipts credited to the automation operations fund for automation
44 operation center projects. Expenditures for all additional automation
45 operation center projects above the \$24,230,600 appropriation shall be
46 subject to review by the joint legislative budget committee, following
47 approval of the government information technology agency. Expenditures for

each additional project shall not exceed the specific revenues of that project.

Risk management fund

FTE positions	96.0
Operating lump sum appropriation	\$ 8,841,200
Burke settlement	532,000
Risk management losses and premiums	45,371,300
Workers' compensation losses and premiums	30,112,300
External legal services	5,592,200
Nonlegal related expenditures	<u>3,153,900</u>
Total - risk management fund	\$ 93,602,900

Performance measures:

Workers' compensation incidence rates/100 FTE positions	4.1
Customer satisfaction with self-insurance (Scale 1-8)	7.5

Personnel division fund

FTE positions	139.0
Operating lump sum appropriation	\$ 14,198,400
Human resources information solution certificate of participation	<u>4,354,000</u>
Total - personnel division fund	\$ 18,552,400

Performance measures:

Customer satisfaction with employee training (Scale 1-8)	6.1
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Special employee health insurance trust fund

FTE positions	39.0
Operating lump sum appropriation	\$ 5,230,700
Employee wellness program	<u>300,000</u>
Total - special employee health insurance trust fund	\$ 5,530,700

Performance measures:

Customer satisfaction with benefit plans (Scale 1-8)	6.2
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State surplus materials revolving fund

FTE positions	16.0
Operating lump sum appropriation	\$ 1,272,300
State surplus property sales proceeds	<u>3,000,000</u>
Total - state surplus materials revolving fund	\$ 4,272,300

All state surplus property sales proceeds received by the department in excess of \$3,000,000 are appropriated. Before the expenditure of any state surplus property sales proceeds in excess of \$3,000,000, the department shall report the intended use of the monies to the joint legislative budget committee.

Federal surplus materials revolving
fund

FTE positions	7.0
Lump sum appropriation	\$ 444,300
Total appropriation - department of administration	\$208,989,300
Fund sources:	
State general fund	\$ 27,071,100
Other appropriated funds	181,918,200

Sec. 3. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM

2008-09

Administration

FTE positions	3,201.4
Operating lump sum appropriation	\$ 70,107,600
DOA data center charges	5,717,500
DES eligibility	55,687,400
DES title XIX pass-through	357,800
Healthcare group administration and reinsurance	11,521,000
Office of administrative hearings	271,300
Indian advisory council	232,900
KidsCare - administration	9,354,000
Proposition 204 - AHCCCS administration	11,401,700
Proposition 204 - DES eligibility	43,629,100
DES eligibility system upgrade	<u>2,600,000</u>
Total appropriation and expenditure authority - administration	\$210,880,300
Fund sources:	
State general fund	\$ 93,348,400
Budget neutrality compliance fund	2,841,000
Children's health insurance program fund	7,127,800
Healthcare group fund	6,521,000
Expenditure authority	101,042,100

Performance measures:

Per cent of applications processed on time	95
Customer satisfaction rating for eligibility determination clients (Scale 1-8)	6.0

The amounts appropriated for the department of economic security eligibility line item shall be used for intergovernmental agreements with the

department of economic security for the purpose of eligibility determination and other functions. The general fund share may be used for eligibility determination for other programs administered by the division of benefits and medical eligibility based on the results of the Arizona random moment sampling survey.

Acute care

Capitation	\$2,110,483,500
Reinsurance	134,202,200
Fee-for-service	573,395,700
Medicare premiums	96,275,300
Graduate medical education	44,906,200
Prior year temporary medical coverage reconciliation payments	3,247,200
Disproportionate share payments	30,350,000
Critical access hospitals	1,700,000
Breast and cervical cancer	1,530,000
Ticket to work	8,913,400
Dual eligible part D copay subsidy	1,029,700
Proposition 204 - capitation	1,205,445,600
Proposition 204 - reinsurance	129,920,200
Proposition 204 - fee-for-service	243,375,100
Proposition 204 - medicare premiums	31,316,900
Proposition 204 - county hold harmless	4,825,600
KidsCare - children	145,267,700
KidsCare - parents	34,900,700
Rural hospital reimbursement	12,158,100
Medicare clawback payments	<u>28,844,600</u>

Total appropriation and expenditure authority - acute care \$4,842,087,700

Fund sources:

State general fund	\$1,216,752,400
Children's health insurance program fund	138,835,300
Tobacco tax and health care fund - medically needy account	62,886,200
Tobacco products tax fund - emergency health services account	25,716,500
Temporary medical coverage fund	3,247,200
Expenditure authority	3,394,650,100

Performance measures:

Per cent of AHCCCS children receiving well child visits in the first 15 months of life (EPSDT) 60

Per cent of AHCCCS children's access to

primary care provider	85
Per cent of AHCCCS women receiving annual cervical screening	60
Member satisfaction as measured by percentage of enrollees that choose to change health plans	2.0

The \$30,350,000 appropriation for disproportionate share payments for fiscal year 2008-2009 made pursuant to section 36-2903.01, subsection P, Arizona Revised Statutes, includes \$4,202,300 for the Maricopa county healthcare district and \$26,147,700 for private qualifying disproportionate share hospitals.

Of the \$4,825,600 appropriated for the proposition 204 county hold harmless line item, \$234,200 is allocated to Graham county, \$3,817,800 to Pima county, \$234,400 to Greenlee county, \$159,700 to La Paz county, \$214,800 to Santa Cruz county and \$164,700 to Yavapai county to offset a net loss in revenue due to the implementation of proposition 204, and shall be used for indigent health care costs.

The prior year temporary medical coverage program reconciliation payments line item shall be used to pay reconciliation obligations incurred for claims with dates of service before July 1, 2008.

Long-term care

Program lump sum appropriation	\$1,173,828,700
Medicare clawback payments	20,740,900
Dual eligible part D copay subsidy	470,300
Board of nursing	<u>209,700</u>
Total appropriation and expenditure authority - long-term care	\$1,195,249,600
Fund sources:	
State general fund	\$ 116,237,500
Budget neutrality compliance fund	\$ 45,793,300
Expenditure authority	1,033,218,800
Performance measures:	

Per cent of members utilizing home and community based services (HCBS)	67
Per cent of ALTCS eligibility as measured by quality control sample	99

Any federal funds that the Arizona health care cost containment system administration passes through to the department of economic security for use in long-term administration care for the developmentally disabled shall not count against the long-term care expenditure authority above.

Pursuant to section 11-292, subsection B, Arizona Revised Statutes, the county portion of the fiscal year 2008-2009 nonfederal portion of the costs of providing long-term care system services is \$256,642,400. This amount is included in the expenditure authority fund source.

Monies from the budget neutrality compliance fund may be used to support the Arizona long-term care system.

Agencywide lump sum reduction \$ (2,000,000)

Fund sources:

State general fund \$ (1,000,000)

Expenditure authority \$ (1,000,000)

Total appropriation and expenditure authority - Arizona health care cost containment system \$6,246,217,600

Appropriated fund sources:

State general fund \$1,425,338,300

Budget neutrality compliance fund 48,634,300

Children's health insurance program fund 145,963,100

Healthcare group fund 6,521,000

Tobacco products tax fund - emergency health services account 25,716,500

Tobacco tax and health care fund - medically needy account 62,886,200

Temporary medical coverage fund 3,247,200

Expenditure authority \$4,527,911,000

Performance measures:

Per cent of people under age 65 that are uninsured 15.5

Before making fee-for-service program or rate changes that pertain to hospital, nursing facility or home and community based services rates or for any of the other fee-for-service rate categories that have increases that, in the aggregate, are two per cent above and \$1,500,000 from the state general fund greater than budgeted medical inflation in fiscal year 2008-2009, the Arizona health care cost containment system administration shall report its expenditure plan for review by the joint legislative budget committee.

The Arizona health care cost containment system administration shall report to the joint legislative budget committee by March 1 of each year on the preliminary actuarial estimates of the capitation rate changes for the following fiscal year along with the reasons for the estimated changes. For any actuarial estimates that include a range, the total range from minimum to maximum shall be no more than two per cent. Before implementation of any changes in capitation rates, the Arizona health care cost containment system administration shall report its expenditure plan for review by the joint legislative budget committee. Before the administration implements any changes in policy affecting the amount, sufficiency, duration and scope of health care services and who may provide services, the administration shall prepare a fiscal impact analysis on the potential effects of this change on the following year's capitation rates. If the fiscal analysis demonstrates that these changes will result in additional state costs of \$500,000 or greater for a given fiscal year, the administration shall submit the policy changes for review by the joint legislative budget committee.

For the contract year beginning October 1, 2008, the administration may expend funds for federally-matched hospice services to non-ALTCS members.

Sec. 4. ARIZONA COMMUNITY COLLEGES

2008-09

Equalization aid

Cochise	\$ 5,833,400
Graham	14,775,700
Navajo	5,386,500
Yuma/La Paz	<u>1,931,400</u>
Total - equalization aid	\$ 27,927,000

Operating state aid

Cochise	\$ 8,303,100
Coconino	3,245,400
Gila	713,000
Graham	5,173,200
Maricopa	55,416,100
Mohave	4,063,300
Navajo	4,250,300
Pima	18,874,100
Pinal	5,854,300
Yavapai	4,903,400
Yuma/La Paz	<u>5,512,600</u>
Total - operating state aid	\$116,308,800

Capital outlay state aid

Navajo	\$ 500,000
Total - capital outlay state aid	\$ 500,000
Rural county reimbursement subsidy	<u>\$ 1,000,000</u>

Total appropriation - Arizona community colleges \$145,735,800

Fund sources:

State general fund	\$145,735,800
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Performance measures:

Number of applied baccalaureate programs

collaboratively developed with universities 34

Of the \$1,000,000 appropriated to the rural county reimbursement subsidy line item, Apache county will receive \$466,000, Greenlee county \$382,800, and Santa Cruz county \$151,200.

The \$500,000 Navajo community college receives in capital outlay state aid shall be used to construct a public safety and emergency services training facility in Navajo county to be operated and controlled by the Northland Pioneer community college. The appropriation is exempt from the provisions of section 35-190, Arizona Revised Statutes, related to the lapsing of appropriations.

Sec. 5. DEPARTMENT OF CORRECTIONS

2008-09

FTE positions	9,932.5
Correctional officer personal services	\$289,976,900
Health care personal services	37,449,400

Senate Amendments to H.B. 2209

1	All other personal services	71,794,000
2	Employee-related expenditures	160,727,900
3	Personal services and employee-related	
4	expenditures for overtime/compensatory	
5	time	24,331,400
6	Health care all other operating	
7	expenditures	86,607,900
8	Non-health care all other operating	
9	expenditures	<u>122,671,300</u>
10	Total - operating budget	\$793,558,800
11	Fund sources:	
12	State general fund	\$778,680,000
13	State education fund for	
14	correctional education	429,900
15	Alcohol abuse treatment fund	599,300
16	Penitentiary land fund	198,700
17	State charitable, penal and	
18	reformatory institutions	
19	land fund	1,240,500
20	Corrections fund	380,400
21	Transition office fund	180,000
22	Transition program drug treatment	
23	fund	600,000
24	Prison construction and operations	
25	fund	11,250,000
26	Agencywide lump sum reduction	\$(1,000,000)
27	Fund sources:	
28	State general fund	\$(1,000,000)
29	County jail beds	\$ 866,200
30	Fund sources:	
31	State general fund	\$ 866,200
32	New state prison beds	\$ 2,822,000
33	Fund sources:	
34	State charitable, penal and	
35	reformatory land fund	\$ 2,822,000
36	Private prison per diem	\$ 82,952,600
37	Fund sources:	
38	State general fund	\$ 52,478,300
39	Corrections fund	28,674,300
40	Penitentiary land fund	1,000,000
41	Prison construction and	
42	operations fund	800,000
43	Provisional beds	\$117,235,900

Fund sources:

State general fund	\$113,179,700
Prison construction and operations fund	3,000,000
Penitentiary land fund	1,056,200

Performance measures:

Escapes from secure facilities	0
Number of inmates receiving the general equivalency diploma	2,500
Number of inmate random positive urinalysis results	1,400

The personal services and employee-related expenditures for overtime/compensatory time line item includes monies for personal services and employee related expenditure costs from overtime and compensatory time payouts accrued by department employees in fiscal year 2008-2009.

Notwithstanding section 35-173, subsection C, Arizona Revised Statutes, any transfer to or from the amounts appropriated for county jail beds, new state prison beds, personal services and employee-related expenditures for overtime/compensatory time, private prison per diem or provisional beds line items shall require review by the joint legislative budget committee.

Before altering its bed capacity by closing state-operated prison beds, canceling or not renewing contracts for privately-operated prison beds, the state department of corrections shall submit a bed plan detailing the proposed bed closures for review by the joint legislative budget committee.

Before placing any additional inmates in out-of-state provisional beds, the department shall place inmates in all available prison beds in facilities that are located in Arizona and that house Arizona inmates, unless the out-of-state provisional beds are of a comparable security level and price.

A monthly report comparing state department of corrections expenditures for the month and year-to-date as compared to prior year expenditures shall be forwarded to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate and house of representatives appropriations committees and the director of the joint legislative budget committee by the thirtieth of the following month. The report shall include at least each line item of appropriation and the main components of all other operating expenditures. The report shall include an estimate of potential shortfalls, potential surpluses that may be available to offset these shortfalls and a plan, if necessary, for eliminating any shortfall without a supplemental appropriation.

State department of corrections personnel in the correctional officer series who receive a geographic stipend shall not retain the geographic stipend associated with that facility when transferring to other department facilities.

One hundred per cent of land earnings and interest from the penitentiary land fund shall be distributed to the state department of corrections in compliance with the enabling act and the Constitution of Arizona to be used for the support of state penal institutions.

Twenty-five per cent of land earnings and interest from the state charitable, penal and reformatory institutions land fund shall be distributed to the state department of corrections in compliance with the enabling act and the Constitution of Arizona to be used for the support of state penal institutions.

Before the expenditure of any state education fund for correctional education receipts in excess of \$429,900, the state department of corrections shall report the intended use of the monies to the director of the joint legislative budget committee.

The state department of corrections shall work with the department of public safety's gang and immigration intelligence team enforcement mission to combat gang activity. The state department of corrections and the department of public safety shall report jointly to the joint legislative budget committee by December 1, 2008 on their collaborative efforts and procedures.

Sec. 6. DEPARTMENT OF ECONOMIC SECURITY

2008-09

Administration

FTE positions	302.5
Operating lump sum appropriation	\$ 43,588,800
Fund sources:	
State general fund	\$ 34,119,400
Federal child care and development fund block grant	1,147,600
Federal temporary assistance for needy families block grant	6,565,500
Public assistance collections fund	408,100
Spinal and head injuries trust fund	89,000
Statewide cost allocation plan fund	1,000,000
Federal Reed act grant	259,200
Finger imaging	\$ 738,900
Fund sources:	
State general fund	\$ 461,400
Federal temporary assistance for needy families block grant	277,500
Attorney general legal services	\$ 1,049,800
Fund sources:	
State general fund	\$ 755,700
Federal child care and development fund block grant	17,300

1	Federal temporary assistance for	
2	needy families block grant	167,900
3	Public assistance collections	
4	fund	108,900
5	Triagency disaster recovery	\$ 271,500
6	Fund sources:	
7	Risk management fund	\$ 271,500
8	Document management	\$ 494,600
9	Fund sources:	
10	State general fund	\$ 494,600

11 In accordance with section 35-142.01, Arizona Revised Statutes, the
 12 department of economic security shall remit to the department of
 13 administration any monies received as reimbursement from the federal
 14 government or any other source for the operation of the department of
 15 economic security west building and any other building lease-purchased by the
 16 state of Arizona in which the department of economic security occupies space.
 17 The department of administration shall deposit these monies in the state
 18 general fund.

19 In accordance with section 38-654, Arizona Revised Statutes, the
 20 department of economic security shall transfer to the department of
 21 administration for deposit in the special employee health insurance trust
 22 fund any unexpended state general fund monies at the end of each fiscal year
 23 appropriated for employer health insurance contributions.

24 Developmental disabilities

25	FTE positions	1,921.9
26	Operating lump sum appropriation	\$ 40,744,800
27	Fund sources:	
28	State general fund	\$ 16,680,500
29	Expenditure authority	24,064,300
30	Case management - Title XIX	\$ 42,630,900
31	Fund sources:	
32	State general fund	\$ 14,546,700
33	Expenditure authority	28,084,200
34	Home and community based	
35	services - Title XIX	\$608,905,600
36	Fund sources:	
37	State general fund	\$207,298,400
38	Expenditure authority	401,607,200
39	Institutional services - Title XIX	\$ 15,164,800
40	Fund sources:	
41	State general fund	\$ 5,174,600
42	Expenditure authority	9,990,200
43	Medical services	\$135,103,500

1	Fund sources:	
2	State general fund	\$ 46,100,700
3	Expenditure authority	89,002,800
4	Arizona training program at	
5	Coolidge - Title XIX	\$ 17,083,200
6	Fund sources:	
7	State general fund	\$ 5,829,200
8	Expenditure authority	11,254,000
9	Medicare clawback payments	\$ 2,206,600
10	Fund sources:	
11	State general fund	\$ 2,206,600
12	Case management - State-only	\$ 4,537,600
13	Fund sources:	
14	State general fund	\$ 4,537,600
15	Home and community based	
16	services - State-only	\$ 36,722,000
17	Fund sources:	
18	State general fund	\$ 35,873,900
19	Long-term care system fund	848,100
20	Institutional services - State-only	\$ 294,900
21	Fund sources:	
22	State general fund	\$ 294,900
23	Arizona training program at	
24	Coolidge - State-only	\$ 572,400
25	Fund sources:	
26	State general fund	\$ 572,400
27	State-funded long-term care	
28	services	\$ 26,383,200
29	Fund sources:	
30	State general fund	\$ 762,900
31	Long-term care system fund	25,620,300
32	Autism training and oversight	\$ 200,000
33	Fund sources:	
34	Tobacco tax and healthcare -	
35	health research account	\$ 200,000
36	Children's autism intensive	
37	behavioral treatment services	\$ 1,800,000
38	Fund sources:	
39	State general fund	\$ 1,800,000
40	Children's autism intensive early	
41	intervention services for toddlers	\$ 500,000
42	Fund sources:	
43	State general fund	\$ 500,000
44	Arizona early intervention program	\$ 3,500,000
45	Fund sources:	
46	State general fund	\$ 3,500,000

Performance measures:

Per cent of consumer satisfaction with	
case management services	98
Per cent of relatives and caregivers of	
consumers stating the services received	
meet the consumer's needs	95
Per cent of relatives and caregivers satisfied	
with the providers of services received	95

It is the intent of the legislature that any available surplus monies for developmental disability programs be applied toward the waiting list, unless there are insufficient monies to annualize these costs in the subsequent year. The children's waiting list shall receive first priority. The amount appropriated for developmental disabilities shall be used to provide for services for nontitle XIX eligible clients. The amount shall not be used for other purposes, unless a transfer of monies is reviewed by the joint legislative budget committee.

The department of economic security shall report all new placements into a state-owned ICF-MR or the Arizona training program at Coolidge campus in fiscal year 2008-2009 to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate and house of representatives appropriations committees and the director of the joint legislative budget committee and the reason why this placement, rather than a placement into a privately run facility for the developmentally disabled, was deemed as the most appropriate placement. The department shall also report if no new placements were made. This report shall be made available by July 15, 2009.

The department shall report to the joint legislative budget committee by March 1 of each year on preliminary actuarial estimates of the capitation rate changes for the following fiscal year along with the reasons for the estimated changes. For any actuarial estimates that include a range, the total range from minimum to maximum shall be not more than two per cent. Before implementation of any changes in capitation rates for the long-term care program, the department of economic security shall report for review the expenditure plan to the joint legislative budget committee. Before the department implements any changes in policy affecting the amount, sufficiency, duration and scope of health care services and who may provide services, the department shall prepare a fiscal impact analysis on the potential effects of this change on the following year's capitation rates. If the fiscal analysis demonstrates that these changes will result in additional state costs of \$500,000 or greater for a given fiscal year, the department shall submit the policy changes for review by the joint legislative budget committee.

For fiscal year 2008-2009, the department of economic security shall not increase reimbursement rates for community service providers and independent service agreement providers contracting with the division of developmental disabilities.

Prior to the implementation of any developmentally disabled or long-term care statewide provider rate increases not already specifically authorized by the legislature, court mandates or changes to federal law, the department shall submit a report for review by the joint legislative budget committee. The report shall include, at a minimum, the estimated cost of the provider rate increase and the ongoing source of funding for the increase.

All monies in the long-term care system fund unexpended and unencumbered at the end of fiscal year 2008-2009 revert to the state general fund, subject to approval by the Arizona health care cost containment system administration.

Benefits and medical eligibility

FTE positions	574.0
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Operating lump sum appropriation	\$ 38,786,700
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Fund sources:

State general fund	\$ 23,851,900
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Federal temporary assistance for needy families block grant	14,934,800
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Temporary assistance for needy families cash benefits	\$125,148,000
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Fund sources:

State general fund	\$ 45,850,800
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Federal temporary assistance for needy families block grant	79,297,200
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General assistance	\$ 2,060,800
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Fund sources:

State general fund	\$ 2,060,800
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Tribal pass-through funding	\$ 4,288,700
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Fund sources:

State general fund	\$ 4,288,700
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Tuberculosis control payments	\$ 32,200
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Fund sources:

State general fund	\$ 32,200
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Eligibility system upgrade	6,431,300
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Fund sources:

State general fund	\$ 963,300
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Federal temporary assistance for needy families block grant	5,468,000
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Performance measures:

Per cent of cash benefits issued timely	98.6
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Per cent of total cash benefits payments issued accurately	95.0
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Per cent of total food stamps payments issued accurately	96.0
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Per cent of clients satisfied with family assistance administration	90.0
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The operating lump sum appropriation may be expended on Arizona health care cost containment system eligibility determinations based on the results of the Arizona random moment sampling survey.

Notwithstanding section 35-173, subsection C, Arizona Revised Statutes, any transfer to or from the \$125,148,000 appropriated for temporary assistance for needy families cash benefits requires review by the joint legislative budget committee.

Of the amount appropriated for temporary assistance for needy families cash benefits, \$500,000 reflects appropriation authority only to ensure sufficient cashflow to administer cash benefits for tribes operating their own welfare programs. The department shall notify the joint legislative budget committee and the governor's office of strategic planning and budgeting staff before the use of any of the \$500,000 appropriation authority.

Child support enforcement

FTE positions	863.8
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Operating lump sum appropriation	\$ 48,729,300
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Fund sources:

State general fund	\$ 8,087,000
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Child support enforcement	
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administration fund	11,310,400
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Expenditure authority	29,331,900
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Genetic testing	\$ 360,000
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Fund sources:

State general fund	\$ 122,400
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Expenditure authority	237,600
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County participation	\$ 6,845,200
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Fund sources:

Child support enforcement	
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administration fund	\$ 1,384,100
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Expenditure authority	5,461,100
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Attorney general legal services	\$ 9,922,500
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Fund sources:

State general fund	\$ 910,600
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Child support enforcement	
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administration fund	2,425,100
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Expenditure authority	6,586,800
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Performance measures:

Total IV-D collections	\$370,700,000
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Ratio of current IV-D support collected	
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and distributed to current IV-D support	
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due	50.4
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All state share of retained earnings, fees and federal incentives above \$15,119,600 received by the division of child support enforcement are appropriated for operating expenditures. New full-time equivalent positions may be authorized with the increased funding. The division of child support enforcement shall report the intended use of the monies to the president of the senate, the speaker of the house of representatives, the chairpersons of

the senate and house of representatives appropriations committees and the director of the joint legislative budget committee and the director of the governor's office of strategic planning and budgeting.

Aging and community services

FTE positions	109.6
Operating lump sum appropriation	\$ 7,069,900

Fund sources:

State general fund	\$ 6,822,400
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Federal temporary assistance
for needy families block

grant	247,500
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Adult services	\$ 19,277,700
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Fund sources:

State general fund	\$ 19,277,700
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Community and emergency
services

	\$ 5,424,900
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Fund sources:

Federal temporary assistance
for needy families block

grant	\$ 5,424,900
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Coordinated hunger	\$ 2,014,600
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Fund sources:

State general fund	\$ 1,514,600
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Federal temporary assistance
for needy families block

grant	500,000
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Coordinated homeless	\$ 2,804,900
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Fund sources:

State general fund	\$ 1,155,400
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Federal temporary assistance
for needy families block

grant	1,649,500
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Domestic violence prevention	\$ 16,647,400
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Fund sources:

State general fund	\$ 8,326,700
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Federal temporary assistance
for needy families block

grant	6,620,700
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Domestic violence shelter fund	1,700,000
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Lifespan respite care	\$ 500,000
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Fund sources:

State general fund	\$ 500,000
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Performance measures:

Adult protective services investigation per cent rate	100
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The department shall report on activities of food distribution efforts funded through the monies in the coordinated hunger line item to the joint legislative budget committee by March 15, 2009. The report shall demonstrate

1 how the food was distributed and shall include letters from each
 2 participating food bank stating its satisfaction with the distribution and
 3 the department shall verify that food products have been distributed through
 4 regional food banks to all rural areas of the state.

5 All domestic violence shelter fund monies above \$1,700,000 received by
 6 the department of economic security are appropriated for the domestic
 7 violence prevention line item. The department of economic security shall
 8 report the intended use of the monies above \$1,700,000 to the joint
 9 legislative budget committee.

10 The department of economic security shall report to the joint
 11 legislative budget committee on the amount of state and federal monies
 12 available statewide for domestic violence funding by December 15, 2008. The
 13 report shall include, at a minimum, the amount of monies available and the
 14 state fiscal agent receiving those monies.

15 Children, youth and families

16	FTE positions	1,616.7
17	Operating lump sum appropriation	\$ 98,202,700
18	Fund sources:	
19	State general fund	\$ 61,447,000
20	Children and family services	
21	training program fund	209,600
22	Federal temporary assistance	
23	for needy families block	
24	grant	36,546,100
25	Adoption services	\$ 55,244,600
26	Fund sources:	
27	State general fund	\$ 35,942,200
28	Federal temporary assistance	
29	for needy families block	
30	grant	19,302,400
31	Adoption services - family	
32	preservation projects	\$ 700,000
33	Fund sources:	
34	Federal temporary assistance	
35	for needy families block	
36	grant	\$ 700,000
37	Attorney general legal	
38	services	\$ 12,273,900
39	Fund sources:	
40	State general fund	\$ 12,221,700
41	Federal temporary assistance	
42	for needy families block	
43	grant	52,200
44	Child abuse prevention	\$ 826,900
45	Fund sources:	
46	Child abuse prevention fund	\$ 826,900
47	Children support services	\$ 76,082,400

Senate Amendments to H.B. 2209

1	Fund sources:	
2	State general fund	\$ 45,403,300
3	Child abuse prevention fund	750,000
4	Federal temporary assistance	
5	for needy families block	
6	grant	29,929,100
7	Comprehensive medical and dental	
8	program	\$ 2,057,000
9	Fund sources:	
10	State general fund	\$ 2,057,000
11	Child protective services appeals	\$ 732,900
12	Fund sources:	
13	State general fund	\$ 732,900
14	CPS emergency placement	\$ 5,186,500
15	Fund sources:	
16	State general fund	\$ 2,180,100
17	Federal temporary assistance	
18	for needy families block	
19	grant	3,006,400
20	Education and training vouchers	\$ 700,000
21	Fund sources:	
22	State general fund	\$ 700,000
23	Family builders program	\$ 5,200,000
24	Fund sources:	
25	Federal temporary assistance for	
26	needy families block grant	\$ 5,200,000
27	Foster care placement	\$ 23,362,600
28	Fund sources:	
29	State general fund	\$ 17,139,500
30	Federal temporary assistance for	
31	needy families block grant	6,223,100
32	Healthy families	\$ 10,750,000
33	Fund sources:	
34	State general fund	\$ 5,715,800
35	Federal temporary assistance for	
36	needy families block grant	5,034,200
37	Homeless youth intervention	\$ 400,000
38	Fund sources:	
39	Federal temporary assistance for	
40	needy families block grant	\$ 400,000
41	Independent living maintenance	\$ 3,136,000
42	Fund sources:	
43	State general fund	\$ 3,136,000
44	Intensive family services	\$ 1,985,600
45	Fund sources:	
46	State general fund	\$ 1,985,600
47	Joint substance abuse - AZ families	
48	F.I.R.S.T.	\$ 7,224,500

1	Fund sources:	
2	State general fund	\$ 5,224,500
3	Federal TANF block grant	2,000,000
4	Permanent guardianship subsidy	\$ 8,935,300
5	Fund sources:	
6	State general fund	\$ 7,192,300
7	Federal temporary assistance for	
8	needy families block grant	1,743,000
9	CPS residential placement	\$ 17,710,000
10	Fund sources:	
11	State general fund	\$ 6,543,400
12	Federal temporary assistance for	
13	needy families block grant	11,166,600
14	Performance measures:	
15	Per cent of newly hired CPS specialists	
16	completing training within 7 months	
17	of hire	100
18	Per cent of children in out-of-home care	
19	who have not returned to their families	
20	or been permanently placed elsewhere	
21	for more than 24 consecutive months	19
22	Per cent of CPS reports responded to by CPS	
23	staff	100
24	Per cent of CPS original dependencies	
25	cases where court denied or dismissed	<1
26	Per cent of office of administrative hearings	
27	where CPS case findings are affirmed	90
28	Per cent of CPS complaints reviewed by	
29	the office of the ombudsman-citizens	
30	aide where allegations are reported	
31	as valid by the ombudsman	13
32	Average number of days spent in shelter	
33	placements	15
34	Number of children in shelter care more	
35	than 21 days	0
36	Number of children under 3 in shelter care	0
37	Number of children under 6 in group homes	0

38 Notwithstanding section 35-173, subsection C, Arizona Revised Statutes,
 39 any transfer to or from the amounts appropriated for children support
 40 services, CPS emergency placement, CPS residential placement or foster care
 41 placement requires review by the joint legislative budget committee.

42 Of the amounts appropriated for children support services, CPS
 43 emergency placement, CPS residential placement and foster care placement,
 44 \$22,613,100 is appropriated from the federal temporary assistance for needy
 45 families block grant to the social services block grant for deposit in the
 46 following line items in the following amounts:

Children support services	5,371,700
CPS emergency placement	2,333,700
CPS residential placement	9,833,300
Foster care placement	5,074,400

The department of economic security shall provide training to any new child protective services FTE positions before assigning to any of these employees any client caseload duties.

It is the intent of the legislature that the department of economic security use the funding in the division of children, youth and families to achieve a one hundred per cent investigation rate.

Employment and rehabilitation services

FTE positions	559.9
Operating lump sum appropriation	\$ 32,426,800

Fund sources:

State general fund	\$ 9,847,000
Federal child care and development fund block grant	10,508,800
Federal temporary assistance for needy families block grant	5,897,400
Workforce investment act grant	2,282,600
Special administration fund	85,000
Spinal and head injuries trust fund	569,500
Federal Reed act grant	3,236,500

JOBBS	\$ 23,571,700
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Fund sources:

State general fund	\$ 1,825,200
Federal temporary assistance for needy families block grant	18,246,500
Workforce investment act grant	2,000,000
Special administration fund	1,500,000

Day care subsidy	\$162,289,000
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Fund sources:

State general fund	\$ 82,920,100
Federal child care and development fund block grant	64,285,800
Federal temporary assistance for needy families block grant	15,083,100

Transitional child care	\$ 36,193,000
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Fund sources:

Federal child care and development fund block grant	\$ 36,193,000
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Vocational rehabilitation

services	\$ 4,919,100
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Fund sources:

State general fund	\$ 4,714,400
Spinal and head injuries	

1	trust fund	204,700
2	Independent living rehabilitation	
3	services	\$ 2,491,900
4	Fund sources:	
5	State general fund	\$ 784,200
6	Spinal and head injuries trust	
7	fund	1,707,700
8	Summer youth employment and training	750,000
9	Fund sources:	
10	State general fund	\$ 750,000
11	Workforce investment act - local	
12	governments	\$ 48,040,600
13	Fund sources:	
14	Workforce investment act grant	\$ 48,040,600
15	Workforce investment act -	
16	discretionary	\$ 3,614,000
17	Fund sources:	
18	Workforce investment act grant	\$ 3,614,000
19	Performance measures:	
20	Number of TANF recipients who obtained	
21	employment	17,000
22	Per cent of customer satisfaction with	
23	child care	95.0
24	Vocational rehabilitation individuals	
25	successfully rehabilitated	4,000

26 It is the intent of the legislature to fully fund child care caseloads
27 and not create a wait list.

28 Of the \$162,289,000 appropriated for day care subsidy, \$115,019,900 is
29 for a program in which the upper income limit is no more than one hundred
30 sixty-five per cent of the federal poverty level.

31 The amounts appropriated for day care subsidy and transitional child
32 care shall be used exclusively for child care costs unless a transfer of
33 monies is reviewed by the joint legislative budget committee. Monies shall
34 not be used from these appropriated amounts for any other expenses of the
35 department of economic security unless a transfer of monies is reviewed by
36 the joint legislative budget committee.

37 Monies in the child care subsidy and transitional child care line items
38 shall be used to provide services only to residents of the state of Arizona
39 who are citizens or legal residents of the United States or who are otherwise
40 lawfully present in the United States.

41 All spinal and head injuries trust fund receipts received by the
42 department of economic security in excess of \$2,481,900 are appropriated to
43 the independent living rehabilitation services line item. Before the
44 expenditure of any spinal and head injuries trust fund receipts in excess of
45 \$2,481,900, the department of economic security shall submit the intended use
46 of the monies for review by the joint legislative budget committee.

All federal workforce investment act funds for local governments that are received by the state in excess of \$48,040,600 are appropriated to the workforce investment act - local governments line item. Excess monies may not be spent until a proposed expenditure plan for the excess monies has been reviewed by the joint legislative budget committee.

Agencywide lump sum reduction \$ (5,250,000)

Fund sources:

State general fund \$ (5,250,000)

Performance measures:

Agencywide customer satisfaction rating

(Scale 1-5) 3.8

The department of economic security agencywide lump sum reduction may not be taken against the appropriation made for lifespan respite care.

The department of economic security may shift existing full-time equivalent positions from other divisions within the agency to the division of benefits and medical eligibility.

The above appropriations are in addition to funds granted to the state by the federal government for the same purposes but shall be deemed to include the sums deposited in the state treasury to the credit of the department of economic security pursuant to section 42-5029, Arizona Revised Statutes.

A monthly report comparing total expenditures for the month and year-to-date as compared to prior year totals shall be forwarded to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate and house of representatives appropriations committees and the director of the joint legislative budget committee by the thirtieth of the following month. The report shall include an estimate of (1) potential shortfalls in entitlement programs, (2) potential federal and other funds, such as the statewide assessment for indirect costs, and any projected surplus in state supported programs that may be available to offset these shortfalls and a plan, if necessary, for eliminating any shortfall without a supplemental appropriation, (3) shortfalls resulting from new leases or renegotiations of current leases and associated costs and (4) total expenditure authority of the child support enforcement program for the month and year-to-date as compared to prior year totals.

Sec. 7. STATE BOARD OF EDUCATION AND SUPERINTENDENT OF PUBLIC INSTRUCTION

2008-09

Administration

FTE positions 72.5

Lump sum appropriation \$ 6,705,300

Fund sources:

State general fund \$ 6,705,300

The lump sum appropriation includes \$291,100 and 4 FTE positions for average daily membership auditing and \$200,000 and 2 FTE positions for information technology security services.

Formula programs

FTE positions 29.0

Operating lump sum appropriation \$ 2,198,700

1	Basic state aid	\$3,337,270,200
2	Fund sources:	
3	State general fund	\$3,292,049,500
4	Permanent state school fund	45,220,700

5 The above appropriation provides basic state support to school
6 districts for maintenance and operations funding as provided by section
7 15-973, Arizona Revised Statutes, and includes an estimated \$45,220,700 in
8 expendable income derived from the permanent state school fund and from state
9 trust lands pursuant to section 37-521, subsection B, Arizona Revised
10 Statutes, for fiscal year 2008-2009.

11 Receipts derived from the permanent state school fund and any other
12 nonstate general fund revenue source that is dedicated to fund basic state
13 aid will be expended, whenever possible, before expenditure of state general
14 fund monies.

15 Except as required by section 37-521, Arizona Revised Statutes, all
16 monies received during the fiscal year from national forests, interest
17 collected on deferred payments on the purchase of state lands, the income
18 from the investment of permanent funds as prescribed by the enabling act and
19 the Constitution of Arizona and all monies received by the superintendent of
20 public instruction from whatever source, except monies received pursuant to
21 sections 15-237 and 15-531, Arizona Revised Statutes, when paid into the
22 state treasury are appropriated for apportionment to the various counties in
23 accordance with law. An expenditure shall not be made except as specifically
24 authorized above.

25	Additional state aid	\$ 404,880,500
26	Special education fund	35,237,700
27	Other state aid to districts	<u>983,900</u>
28	Total - formula programs	\$3,780,571,000

29	Fund sources:	
30	State general fund	\$3,735,350,300
31	Permanent state school fund	45,220,700

32 Non-formula programs

33	FTE positions	149.4
34	Operating lump sum appropriation	\$ 1,766,100
35	Achievement testing	10,246,200

36 Before making any changes to the achievement testing program that will
37 increase program costs, the state board of education shall report the
38 estimated fiscal impact of those changes to the joint legislative budget
39 committee.

40	AIMS intervention; dropout	
41	prevention	5,550,000
42	School accountability	4,699,100
43	Adult education and GED	4,477,900
44	Chemical abuse	826,300
45	English learner administration	5,025,500

46 The appropriated amount is to be used by the department of education to
47 provide English language acquisition services for the purposes of section
48 15-756.07, Arizona Revised Statutes, and for the costs of providing English

language proficiency assessments, scoring and ancillary materials as prescribed by the department of education to school districts and charter schools for the purposes of title 15, chapter 7, article 3.1, Arizona Revised Statutes. The department of education may use a portion of the appropriated amount to hire staff or contract with a third party to carry out the purposes of section 15-756.07, Arizona Revised Statutes. Notwithstanding section 41-192, Arizona Revised Statutes, the superintendent of public instruction also may use a portion of the appropriated amount to contract with one or more private attorneys to provide legal services in connection with the case of Flores v. State of Arizona, No. CIV 92-596-TUC-RCC.

Compensatory instruction fund	
deposit	10,000,000
Extended school year	500,000
Family literacy	1,011,300
Gifted support	3,385,300
School safety program	6,728,300
Small pass-through programs	681,600

The appropriated amount includes \$50,000 for the academic contest fund, \$82,400 for academic decathlon, \$50,000 for Arizona geographic alliance, \$40,000 for the Arizona humanities council, \$25,200 for Arizona principal's academy, \$234,000 for Arizona school service through education technology, \$50,000 for project citizen and \$50,000 for the economic academic council and \$100,000 for civics training.

State block grant for early	
childhood education	19,457,100
State block grant for vocational	
education	11,467,200
Vocational education extended year	600,000
Teacher certification	1,994,000

Monies collected by the department of education for teacher certification fees, as authorized by section 15-531, paragraphs 1 and 2, Arizona Revised Statutes, shall be deposited in a teacher certification fund for use in funding costs of the teacher certification program.

Parental choice for reading success	1,000,000
Optional performance incentive	
programs	<u>120,000</u>

Total - nonformula programs	\$ 89,535,900
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Fund sources:

State general fund	\$ 80,324,200
Proposition 301 fund	7,000,000
Teacher certification fund	2,211,700

Performance measures:

Per cent of students tested who perform
at or above the national norm on the
norm-referenced test (grade 2)

-- reading	50
-- math	55

Senate Amendments to H.B. 2209

1	Per cent of students tested who perform	
2	at or above the national norm on the	
3	norm-referenced test (grade 9)	
4	-- reading	56
5	-- math	56
6	Per cent of schools with at least 75% of	
7	students meeting or exceeding standards in:	
8	-- reading	42
9	-- writing	56
10	-- math	42
11	Per cent of Arizona high school students	
12	who enter grade 9 and graduate within	
13	4 years	70
14	Per cent of students in grade 3 meeting	
15	or exceeding state academic standards in:	
16	-- reading	80
17	-- writing	84
18	-- math	80
19	Per cent of students in grade 5 meeting	
20	or exceeding state academic standards in:	
21	-- reading	77
22	-- writing	75
23	-- math	77
24	Per cent of students in grade 8 meeting	
25	or exceeding state academic standards in:	
26	-- reading	73
27	-- writing	86
28	-- math	70
29	Per cent of students in grade 12 meeting	
30	or exceeding state academic standards in:	
31	-- reading	41
32	-- writing	40
33	-- math	27
34	Per cent of students tested:	
35	-- norm-referenced test (grades 2 and 9)	96
36	-- AIMS	98
37	Per cent of Arizona schools receiving an	
38	underperforming label	4
39	Maximum number of days to process	
40	complete certification applications	8
41	Per cent of customers satisfied with	
42	certification services	92
43	<u>State board of education</u>	
44	FTE positions	10.0
45	Operating lump sum appropriation	\$ 1,076,100
46	Math or science initiatives	<u>\$ 2,500,000</u>
47	Total - state board of education	\$ 3,576,100
48	Fund sources:	

1 State general fund \$ 3,192,500
2 Teacher certification fund 383,600

3 Performance measures:

4 Per cent of parents who rate "A+" the public
5 school that their oldest school-age child
6 attends 9.0

7 The appropriated amount includes \$100,000 for administering a survey to
8 a random sample of parents of children in public schools statewide. The
9 survey shall consist of the following question: "Students are given the
10 grades A+, A, B, C, D and Fail to denote the quality of their work. Using
11 the same A+, A, B, C, D and Fail scale, what grade would you give the school
12 that your oldest child attends?"

13 The state board of education program may establish its own strategic
14 plan separate from that of the department of education and based on its own
15 separate mission, goals and performance measures.

16 Agencywide lump sum reduction \$ (2,200,000)

17 Fund sources:

18 State general fund \$ (2,200,000)

19 Total appropriation - state board of
20 education and superintendent
21 of public instruction \$3,878,188,300

22 Fund sources:

23 State general fund \$3,823,372,300
24 Proposition 301 fund 7,000,000
25 Permanent state school fund 45,220,700
26 Teacher certification fund 2,595,300

27 The department of education agencywide lump sum reduction may not be
28 taken against the appropriation made to the state board of education or
29 funding normally passed on to school districts or charter schools.

30 The department shall provide an updated report on its budget status
31 every two months for the first half of each fiscal year and every month
32 thereafter to the president of the senate, the speaker of the house of
33 representatives, the chairpersons of the senate and house of representatives
34 appropriations committees, the director of the joint legislative budget
35 committee and the director of the governor's office of strategic planning and
36 budgeting. Each report shall include, at a minimum, the department's current
37 funding surplus or shortfall projections for basic state aid and other major
38 formula-based programs and shall be due thirty days after the end of the
39 applicable reporting period.

40 Within fifteen days of each apportionment of state aid that occurs
41 pursuant to section 15-973, subsection B, Arizona Revised Statutes, the
42 department shall provide the joint legislative budget committee staff and the
43 governor's office of strategic planning and budgeting with an electronic
44 spreadsheet or database copy of data included in the apor55-1 report for that
45 apportionment for each school district and the char55-1 report for that
46 apportionment for each charter school.

Sec. 8. DEPARTMENT OF FINANCIAL INSTITUTIONS

2008-09

FTE positions	57.1
Lump sum appropriation	\$ 3,806,800
Fund sources:	
State general fund	\$ 3,806,800
Performance measures:	
Per cent of examinations reports mailed within 25 days of examiner's completion of exam procedures	78.0
Per cent of license applications approved within 45 days of receipt	65.0
Per cent of examinations receiving satisfactory rating	91.0
Average days from receipt to resolution of regular complaints	100.0
Per cent of complainants indicating they received "good" or "better" service when filing a complaint	75.0

The department of financial institutions shall assess and set fees to ensure that monies deposited in the state general fund will equal or exceed its expenditure from the state general fund.

Sec. 9. DEPARTMENT OF HEALTH SERVICES

2008-09

Administration

FTE positions	432.8
Operating lump sum appropriation	\$ 17,658,300
Fund sources:	
State general fund	\$ 14,876,300
Capital outlay stabilization fund	1,578,100
Emergency medical services operating fund	203,900
Indirect cost fund	1,000,000
Assurance and licensure	\$ 11,553,100
Fund sources:	
State general fund	\$ 9,392,500
Federal child care and development fund block grant	829,200
Hearing and speech professionals fund	343,200
Nursing care institution resident protection revolving fund	38,000
Expenditure authority	950,200
Attorney general legal services	\$ 444,900
Fund sources:	
State general fund	\$ 394,900
Emergency medical services	

Senate Amendments to H.B. 2209

1	operating fund	50,000
2	Newborn screening program fund -	
3	indirect costs	\$ 478,600
4	Fund sources:	
5	Newborn screening program fund	\$ 478,600
6	Indirect cost fund	\$ 8,053,000
7	Fund sources:	
8	Indirect cost fund	\$ 8,053,000
9	Performance measures:	
10	Per cent of relicensure surveys completed	
11	on time:	
12	Child care facilities	97
13	Health care facilities	85
14	Per cent of complaint investigations initiated	
15	later than investigative guidelines:	
16	Child care facilities	0
17	Health care facilities	30
18	<u>Public health</u>	
19	FTE positions	245.1
20	Operating lump sum appropriation	\$ 6,660,500
21	Fund sources:	
22	State general fund	\$ 5,823,200
23	Emergency medical services	
24	operating fund	837,300
25	AIDS reporting and surveillance	\$ 1,125,000
26	Fund sources:	
27	State general fund	\$ 1,125,000
28	Alzheimer's disease research	\$ 4,000,000
29	Fund sources:	
30	State general fund	\$ 3,000,000
31	Tobacco tax and health care	
32	fund - health research account	1,000,000
33	Arizona statewide immunization	
34	information system	\$ 517,500
35	Fund sources:	
36	State general fund	\$ 517,500
37	Community health centers	\$ 13,481,300
38	Fund sources:	
39	State general fund	\$ 8,981,300
40	Tobacco tax and health care	
41	fund - medically needy	
42	account	4,500,000
43	County public health	\$ 200,000
44	Fund sources:	
45	State general fund	\$ 200,000
46	County tuberculosis provider	
47	care and control	\$ 1,410,500

Senate Amendments to H.B. 2209

1	Fund sources:	
2	State general fund	\$ 1,410,500
3	Diabetes prevention and control	\$ 400,000
4	Fund sources:	
5	State general fund	\$ 400,000
6	Direct grants	\$ 460,300
7	Fund sources:	
8	State general fund	\$ 460,300
9	EMS operations	\$ 3,263,900
10	Fund sources:	
11	Emergency medical services	
12	operating fund	\$ 3,263,900
13	Hepatitis C surveillance	\$ 409,300
14	Fund sources:	
15	State general fund	\$ 409,300
16	Kidney program	\$ 50,500
17	Fund sources:	
18	State general fund	\$ 50,500
19	Laboratory services	\$ 5,064,300
20	Fund sources:	
21	State general fund	\$ 4,087,900
22	Environmental laboratory licensure	
23	revolving fund	976,400
24	Loan repayment	\$ 750,000
25	Fund sources:	
26	State general fund	\$ 100,000
27	Emergency medical services	
28	operating fund	650,000
29	Poison control center funding	\$ 675,000
30	Fund sources:	
31	State general fund	\$ 675,000
32	Reimbursement to counties	\$ 67,900
33	Fund sources:	
34	State general fund	\$ 67,900
35	Renal and nonrenal disease management	\$ 468,000
36	Fund sources:	
37	State general fund	\$ 468,000
38	Scorpion antivenom	\$ 150,000
39	Fund sources:	
40	State general fund	\$ 150,000
41	STD control subventions	\$ 26,300
42	Fund sources:	
43	State general fund	\$ 26,300
44	Telemedicine	\$ 260,000
45	Fund sources:	
46	State general fund	\$ 260,000
47	Teratogen program	\$ 60,000
48	Fund sources:	

1	State general fund	\$ 60,000
2	Trauma advisory board	\$ 405,400
3	Fund sources:	
4	Emergency medical services	
5	operating fund	\$ 405,400
6	University of Arizona poison	
7	control center funding	\$ 1,275,000
8	Fund sources:	
9	State general fund	\$ 1,275,000
10	Vaccines	\$ 8,410,400
11	Fund sources:	
12	State general fund	\$ 8,410,400
13	Vital records maintenance	\$ 502,200
14	Fund sources:	
15	Vital records electronic	
16	systems fund	\$ 502,200
17	Performance measures:	
18	Immunization rate among two-year-old	
19	children	84
20	Per cent of high school youth who smoked	
21	in the last month	18
22	Customer waiting time in vital records	
23	lobby (in minutes)	13

24 Of the \$13,481,300 appropriated for community health centers, at least
 25 \$564,000 shall be distributed to Yavapai county for county primary care
 26 programs.

27 The department of health services may use up to four per cent of the
 28 amounts appropriated for renal and nonrenal disease management, community
 29 health centers and telemedicine for the administrative costs to implement
 30 each program.

31 Monies appropriated for AIDS reporting and surveillance and renal and
 32 nonrenal disease management shall be used to provide services only to
 33 residents of the state of Arizona who are citizens or legal residents of the
 34 United States or who are otherwise lawfully present in the United States.

35 The department of health services shall report to the joint legislative
 36 budget committee by February 1, 2009 on the amount of federal monies received
 37 for fiscal year 2008-2009 for the 317 vaccine program.

38 The appropriation for direct grants is to provide for local health work
 39 and a portion of the cost of employing one public health nurse and one
 40 sanitarian in counties with populations of less than 500,000 persons. The
 41 monies are to be divided equally among eligible counties on a nonmatching
 42 basis. All monies that are received by a county under this appropriation and
 43 that are not used for the prescribed purposes revert to the state general
 44 fund.

45 The \$67,900 appropriated for reimbursement to counties is to provide
 46 matching monies to counties with populations of less than five hundred
 47 thousand persons for local health work on an equal matching basis and shall

be distributed based on the proportion of funding each county received in fiscal year 2002-2003.

The \$200,000 appropriated for county public health shall be distributed as follows to the following counties to reimburse local health departments pursuant to section 36-189, Arizona Revised Statutes: Coconino, \$36,220; Gila, \$5,440; Mohave, \$30,780; Yavapai, \$25,820; Yuma, \$101,740.

The department of health services shall distribute a pamphlet on umbilical cord blood pursuant to section 36-112, Arizona Revised Statutes. The department shall distribute the pamphlet free of charge to physicians and health care institutions on request and shall make the pamphlet available on its website.

The department of health services shall require the screening of potential recipients of vaccines for private insurance coverage, eligibility for the federal vaccines for children program and eligibility for the state children's health insurance program. This requirement applies to vaccines purchased with state monies appropriated for the vaccines line item for both the federal 317 program and the state-only immunization program.

Family health

FTE positions	96.8
Operating lump sum appropriation	\$ 6,002,700
Fund sources:	
State general fund	\$ 3,821,700
Expenditure authority	2,181,000
Adult cystic fibrosis	\$ 105,200
Fund sources:	
State general fund	\$ 105,200
Adult sickle cell anemia	\$ 33,000
Fund sources:	
State general fund	\$ 33,000
AHCCCS - children's rehabilitative services	\$ 81,151,300
Fund sources:	
State general fund	\$ 27,688,800
Expenditure authority	53,462,500
Breast and cervical cancer screening	\$ 1,348,600
Fund sources:	
State general fund	\$ 1,348,600
Child fatality review team	\$ 247,200
Fund sources:	
Child fatality review fund	\$ 100,000
Emergency medical services operating fund	147,200
Children's rehabilitative services	\$ 3,587,000
Fund sources:	
State general fund	\$ 3,587,000
County prenatal services grant	\$ 1,148,500

1	Fund sources:	
2	State general fund	\$ 1,148,500
3	Folic acid	\$ 400,000
4	Fund sources:	
5	Tobacco tax and health care fund -	
6	medically needy account	\$ 400,000
7	High risk perinatal services	\$ 5,430,600
8	Fund sources:	
9	State general fund	\$ 4,980,600
10	Emergency medical services	
11	operating fund	450,000
12	Medicaid special exemption	
13	payments	\$ 1,803,400
14	Fund sources:	
15	State general fund	\$ 615,300
16	Expenditure authority	1,188,100
17	Newborn screening program	\$ 6,351,000
18	Fund sources:	
19	Newborn screening program fund	\$ 6,351,000
20	Senior food program	\$ 600,000
21	Fund sources:	
22	State general fund	\$ 600,000
23	Performance measures:	
24	Number of newborns screened under newborn	
25	screening program	107,214
26	The amounts appropriated for children's rehabilitative services and for	
27	AHCCCS - children's rehabilitative services are intended to cover all costs	
28	in full for contracts for the provision of services to clients, unless a	
29	transfer of monies is reviewed by the joint legislative budget committee.	
30	The department of health services may transfer up to \$350,000 in	
31	revenues from the indirect cost fund to the Arizona health care cost	
32	containment system administration for the purpose of meeting indirect cost	
33	state match requirements related to AHCCCS - children's rehabilitative	
34	services program.	
35	Of the \$5,430,600 appropriated for high risk perinatal services	
36	\$583,000 shall be distributed to counties.	
37	<u>Behavioral health</u>	
38	FTE positions	166.0
39	Operating lump sum appropriation	\$ 9,592,700
40	Fund sources:	
41	State general fund	\$ 4,528,800
42	Expenditure authority	5,063,900
43	Arnold v. Sarn	\$ 37,153,100
44	Fund sources:	
45	State general fund	\$ 27,500,000
46	Expenditure authority	9,653,100
47	Children's behavioral health	
48	services	\$ 9,351,800

Senate Amendments to H.B. 2209

1	Fund sources:	
2	State general fund	\$ 9,351,800
3	Children's behavioral health state	
4	match for title XIX	\$358,971,200
5	Fund sources:	
6	State general fund	\$122,432,700
7	Expenditure authority	236,538,500
8	Court monitoring	\$ 197,500
9	Fund sources:	
10	State general fund	\$ 197,500
11	Dual eligible part D copay subsidy	\$ 802,600
12	Fund sources:	
13	State general fund	\$ 802,600
14	Medicaid special exemption	
15	payments	\$ 20,423,900
16	Fund sources:	
17	State general fund	\$ 6,969,100
18	Expenditure authority	13,454,800
19	Medicare clawback payments	\$ 10,718,100
20	Fund sources:	
21	State general fund	\$ 10,718,100
22	Mental health and substance abuse	
23	state match for title XIX	\$105,892,800
24	Fund sources:	
25	State general fund	\$ 36,133,300
26	Expenditure authority	69,759,500
27	Mental health nontitle XIX	\$ 2,447,300
28	Fund sources:	
29	State general fund	\$ 2,447,300
30	Proposition 204 - administration	\$ 6,534,800
31	Fund sources:	
32	State general fund	\$ 2,130,200
33	Expenditure authority	4,404,600
34	Proposition 204 - children's	
35	behavioral health services	\$ 4,532,100
36	Fund sources:	
37	State general fund	\$ 1,546,500
38	Expenditure authority	2,985,600
39	Proposition 204 - general mental	
40	health and substance abuse	\$108,329,900
41	Fund sources:	
42	State general fund	\$ 36,964,900
43	Expenditure authority	71,365,000
44	Proposition 204 - seriously	
45	mentally ill services	\$208,954,800

1	Fund sources:	
2	State general fund	\$ 71,300,600
3	Expenditure authority	137,654,200
4	Seriously emotionally handicapped	
5	children	\$ 500,000
6	Fund sources:	
7	State general fund	\$ 500,000
8	Seriously mentally ill nontitle	
9	XIX	\$ 61,116,700
10	Fund sources:	
11	State general fund	\$ 30,191,900
12	Tobacco tax and health care	
13	fund-medically needy account	30,924,800
14	Seriously mentally ill state match	
15	for title XIX	\$201,129,500
16	Fund sources:	
17	State general fund	\$ 68,585,400
18	Expenditure authority	132,544,100
19	Substance abuse nontitle XIX	\$ 14,635,400
20	Fund sources:	
21	State general fund	\$ 12,135,400
22	Substance abuse services fund	2,500,000
23	Contract compliance	\$ 5,523,500
24	Fund sources:	
25	State general fund	\$ 1,856,100
26	Expenditure authority	3,667,400

27	Performance measures:	
28	Per cent of RBHA title XIX clients	
29	satisfied with services	90
30	Per cent of title XIX population that is	
31	enrolled in a behavioral health service	12

32 The amount appropriated for children's behavioral health services shall
 33 be used to provide services for nontitle XIX eligible children. The amount
 34 shall not be used to pay for either federally or nonfederally reimbursed
 35 services for title XIX eligible children, unless a transfer of monies is
 36 reviewed by the joint legislative budget committee.

37 It is the intent of the legislature that the total amount available in
 38 the Arnold v. Sarn line item be used for the population covered by the Arnold
 39 v. Sarn lawsuit in counties with a population of two million or more persons
 40 and for seriously mentally ill persons that meet the same criteria as those
 41 covered by the Arnold v. Sarn lawsuit in counties with populations of less
 42 than two million persons.

43 It is the intent of the legislature that the per cent attributable to
 44 administration/profit for the regional behavioral health authority in
 45 Maricopa county is nine per cent of the overall capitation rate.

The department of health services shall report to the joint legislative budget committee thirty days after the end of each calendar quarter on the progress the department is making toward settling the Arnold v. Sarn lawsuit. The report shall include at a minimum the department's progress towards meeting the exit criteria and whether the department is in compliance with the exit criteria schedule.

Arizona state hospital

FTE positions	877.7
Operating lump sum appropriation	\$ 56,984,000

Fund sources:

State general fund	\$ 50,932,100
Arizona state hospital fund	4,901,900
Arizona state hospital land earnings fund	1,150,000
Community placement treatment	\$ 6,704,800

Fund sources:

State general fund	\$ 5,574,100
Arizona state hospital fund	1,130,700
Sexually violent persons	\$ 10,628,100

Fund sources:

State general fund	\$ 10,628,100
Electronic medical records	\$ 300,000

Fund sources:

State general fund	\$ 300,000
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Performance measures:

Per cent of adult clients successfully placed in community who return for another stay within one year of discharge	6.0
Agencywide lump sum reduction	\$(8,650,000)

Fund sources:

State general fund	\$(8,650,000)
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The department shall report to the joint legislative budget committee by March 1 of each year on preliminary actuarial estimates of the capitation rate changes for the following fiscal year along with the reasons for the estimated changes. For any actuarial estimates that include a range, the total range from minimum to maximum shall be no more than two per cent. Before implementation of any changes in capitation rates for the AHCCCS - children's rehabilitative services line item and any title XIX behavioral health line items, the department of health services shall report its expenditure plan for review by the joint legislative budget committee. Before the department implements any changes in policy affecting the amount, sufficiency, duration and scope of health care services and who may provide services, the department shall prepare a fiscal impact analysis on the potential effects of this change on the following year's capitation rates. If the fiscal analysis demonstrates that these changes will result in additional state costs of \$500,000 or greater for a given fiscal year, the department shall submit the policy changes for review by the joint legislative budget committee.

1 In addition to the appropriation for the department of health services,
2 earnings on state lands and interest on the investment of the permanent land
3 funds are appropriated to the state hospital in compliance with the enabling
4 act and the Constitution of Arizona.

5 A monthly report comparing total expenditures for the month and
6 year-to-date as compared to prior year totals shall be forwarded to the
7 president of the senate, the speaker of the house of representatives, the
8 chairpersons of the senate and house of representatives appropriations
9 committees and the director of the joint legislative budget committee by the
10 thirtieth of the following month. The report shall include an estimate of
11 (1) potential shortfalls in programs, (2) potential federal and other funds,
12 such as the statewide assessment for indirect costs, that may be available to
13 offset these shortfalls, and a plan, if necessary, for eliminating any
14 shortfall without a supplemental appropriation, and (3) total expenditure
15 authority of the month and year-to-date for seriously mentally ill state
16 match for title XIX, seriously mentally ill nontitle XIX, children's
17 behavioral health services, children's behavioral health state match for
18 title XIX, mental health nontitle XIX, substance abuse nontitle XIX,
19 seriously emotionally handicapped children and children's rehabilitative
20 services.

21 Notwithstanding section 35-173, subsection C, Arizona Revised Statutes,
22 any transfer to or from the amounts appropriated for seriously mentally ill
23 state match for title XIX, seriously mentally ill nontitle XIX,
24 Arnold v. Sarn, vital records maintenance, folic acid, children's behavioral
25 health services, children's behavioral health state match for title XIX,
26 mental health nontitle XIX, substance abuse nontitle XIX, mental health and
27 substance abuse state match for title XIX, seriously emotionally handicapped
28 children, children's rehabilitative services, AHCCCS - children's
29 rehabilitative services, adult cystic fibrosis, adult sickle cell anemia,
30 high risk perinatal services, county prenatal services grant, community
31 placement treatment, dual eligible copay subsidy, sexually violent persons,
32 county tuberculosis provider care and control, kidney program, county
33 nutrition services, community health centers, vaccines, renal and nonrenal
34 disease management, AIDS reporting and surveillance, telemedicine, university
35 of Arizona poison center funding, poison control center funding, and women's
36 services shall require review by the joint legislative budget committee. The
37 department may transfer monies between the amounts appropriated for
38 proposition 204 children's behavioral health services, proposition 204
39 seriously mentally ill services and proposition 204 general mental health and
40 substance abuse without review by the joint legislative budget committee but
41 may not transfer monies to and from these line items to any other line item
42 except as provided above without review by the joint legislative budget
43 committee. The amounts appropriated for these items shall be used
44 exclusively for contracts for the provision of services to clients unless a
45 transfer of monies is reviewed by the joint legislative budget committee or
46 unless otherwise permitted to be expended for administrative costs as
47 specified in this act. Monies shall not be used from these appropriated

amounts for any other expenses of the department of health services, unless a transfer of monies is reviewed by the joint legislative budget committee.

Sec. 10. ARIZONA JUDICIARY

2008-09

Supreme court

FTE positions	194.0
Operating lump sum appropriation	\$ 16,854,600
Automation	12,420,400
Case and cash management system	1,517,300
County reimbursements	208,800
Court appointed special advocate	3,558,000
Domestic relations	586,400
Foster care review board	2,429,800
Commission on judicial conduct	436,800
Judicial nominations and performance review	323,200
Model court	497,300
State aid	<u>6,054,300</u>

Total appropriation - supreme court \$ 44,886,900

Fund sources:

State general fund	\$ 17,426,600
Confidential intermediary and fiduciary fund	488,900
Court appointed special advocate fund	3,456,000
Criminal justice enhancement fund	3,068,200
Defensive driving school fund	5,419,300
Judicial collection enhancement fund	12,082,000
State aid to the courts fund	2,945,900

By September 1, 2008, the supreme court shall report to the joint legislative budget committee on current and future automation projects coordinated by the administrative office of the courts. The report shall include a list of court automation projects receiving or anticipated to receive state monies in the current or next two fiscal years as well as a description of each project, number of FTE positions, the entities involved and the goals and anticipated results for each automation project. The report shall be submitted in one summary document. The report shall indicate each project's total multi-year cost by fund source and budget line item, including any prior year, current year and any future year expenditures.

Included in the appropriation for the supreme court program is \$1,000 for the purchase of mementos and items for visiting officials.

All case processing assistance fund receipts received by the administrative office of the courts in excess of \$3,068,200 in fiscal year 2008-2009 are appropriated to the supreme court. Before the expenditure of any case processing assistance fund receipts in excess of \$3,068,200 in fiscal year 2008-2009, the administrative office of the courts shall submit

the intended use of the monies for review by the joint legislative budget committee.

All defensive driving school fund receipts received by the administrative office of the courts in excess of \$5,419,300 in fiscal year 2008-2009 are appropriated to the supreme court. Before the expenditure of any defensive driving school fund receipts in excess of \$5,419,300 in fiscal year 2008-2009, the administrative office of the courts shall submit the intended use of the monies for review by the joint legislative budget committee.

Notwithstanding any other law, the amount appropriated for rural state aid to the courts shall be allocated to counties with populations of less than five hundred thousand persons.

All judicial collection enhancement fund receipts, excluding revenues resulting from the probation surcharge, received by the administrative office of the courts in excess of \$12,082,000 in fiscal year 2008-2009 are appropriated to the supreme court. Before the expenditure of judicial collection enhancement fund receipts in excess of \$12,082,000 in fiscal year 2008-2009, the administrative office of the courts shall submit the intended use of the monies for review by the joint legislative budget committee.

The administrative office of the courts shall not transfer monies between the supreme court operating budget and the automation line item without review by the joint legislative budget committee.

Court of appeals

FTE positions	147.5
Division I	\$ 9,657,700
Performance measures:	
Customer satisfaction rating for settlement program (Scale 1-8)	7.3
Division II	\$ 4,296,100
Performance measures:	
Customer satisfaction rating for settlement program (Scale 1-8)	<u>7.8</u>
Total appropriation - court of appeals	\$ 13,953,800

Fund sources:

State general fund	\$ 13,953,800
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Of the 147.5 FTE positions for fiscal year 2008-2009, 107.2 FTE positions are for Division I and 40.3 FTE positions are for Division II.

Superior court

FTE positions	230.5
Judges compensation	\$ 18,136,100
Adult standard probation	15,060,600
Adult intensive probation	11,338,000
Community punishment	2,871,700
Interstate compact	656,100
Sex offenders GPS monitoring	436,800
Drug court	1,013,600
Juvenile standard probation	4,726,000
Juvenile intensive probation	9,886,100

Senate Amendments to H.B. 2209

1	Juvenile treatment services	22,504,700
2	Juvenile family counseling	660,400
3	Juvenile crime reduction	5,221,800
4	Probation surcharge	3,425,700
5	Juvenile diversion consequences	10,160,300
6	Special water master	<u>20,000</u>
7	Total appropriation - superior court	\$106,117,900
8	Fund sources:	
9	State general fund	\$ 95,140,000
10	Criminal justice enhancement fund	7,052,200
11	Drug treatment and education fund	500,000
12	Judicial collection enhancement	
13	fund	3,425,700
14	Performance measures:	
15	Customer satisfaction rating by states	
16	participating in the interstate compact	
17	(Scale 1-8)	7.0
18	<u>Juvenile standard probation:</u>	
19	Per cent of probationers successfully	
20	completing probation without a referral	
21	(a notice of misbehavior)	85
22	<u>Juvenile intensive probation (JIPS):</u>	
23	Per cent of probationers successfully	
24	completing probation without a referral	
25	(a notice of misbehavior)	70
26	<u>Adult standard probation:</u>	
27	Per cent of probationers exiting probation	
28	and not committed to county jail or prison	80
29	<u>Adult intensive probation (AIPS):</u>	
30	Per cent of probationers exiting intensive	
31	probation and not committed to county jail	
32	or prison	50

Of the 230.5 FTE positions, 173 FTE positions represent superior court judges. One-half of their salaries are provided by state general fund appropriations pursuant to section 12-128, Arizona Revised Statutes. This is not meant to limit the counties' ability to add judges pursuant to section 12-121, Arizona Revised Statutes.

Up to 4.6 per cent of the amounts appropriated for juvenile probation services - treatment services and juvenile diversion consequences may be retained and expended by the supreme court to administer the programs established by section 8-322, Arizona Revised Statutes, and to conduct evaluations as needed. The remaining portion of the treatment services and juvenile diversion consequences programs shall be deposited in the juvenile probation services fund established by section 8-322, Arizona Revised Statutes.

Receipt of state probation monies by the counties is contingent on the county maintenance of fiscal year 2003-2004 expenditure levels for each

1 probation program. State probation monies are not intended to supplant
2 county dollars for probation programs.

3 All community punishment program receipts received by the
4 administrative office of the courts in excess of \$2,871,700 in fiscal year
5 2008-2009 are appropriated to the community punishment line item. Before the
6 expenditure of any community punishment receipts in excess of \$2,871,700 in
7 fiscal year 2008-2009, the administrative office of the courts shall submit
8 the intended use of the monies for review by the joint legislative budget
9 committee.

10 All juvenile crime reduction fund receipts received by the
11 administrative office of the courts in excess of \$5,221,800 in fiscal year
12 2008-2009 are appropriated to the juvenile crime reduction line item. Before
13 the expenditure of any juvenile crime reduction fund receipts in excess of
14 \$5,221,800 in fiscal year 2008-2009, the administrative office of the courts
15 shall submit the intended use of the monies for review by the joint
16 legislative budget committee.

17 All judicial collection enhancement fund receipts received by the
18 administrative office of the courts resulting from the probation surcharge in
19 excess of \$3,425,700 in fiscal year 2008-2009 are appropriated to the
20 superior court. Before the expenditure of judicial collection enhancement
21 fund receipts in excess of \$3,425,700 in fiscal year 2008-2009, the
22 administrative office of the courts shall submit the intended use of the
23 monies for review by the joint legislative budget committee.

24 By November 1, 2008, the administrative office of the courts shall
25 report to the joint legislative budget committee the fiscal year 2007-2008
26 actual, fiscal year 2008-2009 estimated and fiscal year 2009-2010 requested
27 amounts for the following:

28 1. On a county-by-county basis, the number of authorized and filled
29 case carrying probation positions and non-case carrying positions,
30 distinguishing between adult standard, adult intensive, juvenile standard and
31 juvenile intensive. The report shall indicate the level of state probation
32 funding, other state funding, county funding and probation surcharge funding
33 for those positions.

34 2. Total receipts and expenditures by county and fund source for the
35 adult standard, adult intensive, juvenile standard and juvenile intensive
36 line items, including the amount of personal services expended from each
37 revenue source of each account.

38 3. The amount of monies from the adult standard, adult intensive,
39 juvenile standard and juvenile intensive line items that the office does not
40 distribute as direct aid to counties. The report shall delineate how the
41 office expends these monies that are not distributed as direct aid to
42 counties.

43 Total appropriation - Arizona judiciary \$164,958,600

44 Fund sources:

45 State general fund \$126,520,400

46 Confidential intermediary and
47 fiduciary fund 488,900

48 Court appointed special advocate

1	fund	3,456,000
2	Criminal justice enhancement fund	10,120,400
3	Defensive driving school fund	5,419,300
4	Drug treatment and education fund	500,000
5	Judicial collection enhancement	
6	fund	15,507,700
7	State aid to the courts fund	2,945,900
8	The administrative office of the courts shall submit the intended use	
9	of any reimbursement monies received for review to the joint legislative	
10	budget committee prior to their expenditure.	
11	Sec. 11. DEPARTMENT OF JUVENILE CORRECTIONS	
12		<u>2008-09</u>
13	FTE positions	1,163.7
14	Lump sum appropriation	\$ 81,728,800
15	Fund sources:	
16	State general fund	\$ 74,057,900
17	State charitable, penal and	
18	reformatory institutions	
19	land fund	4,298,600
20	Criminal justice enhancement fund	689,800
21	State education fund for committed	
22	youth	2,682,500
23	Performance measures:	
24	Escapes from DJC secure care facilities	0
25	Per cent of juveniles passing the general	
26	equivalency diploma language test	56
27	Per cent of juveniles who show progress in	
28	their primary treatment problem area	75
29	Per cent of juveniles returned to custody	
30	within 12 months of release	36
31	The department shall provide a travel stipend to all southwest regional	
32	juvenile correction complex staff whose residence is at least twenty miles	
33	from work.	
34	Twenty-five per cent of land earnings and interest from the state	
35	charitable, penal and reformatory institutions land fund shall be distributed	
36	to the department of juvenile corrections, in compliance with section 25 of	
37	the enabling act and the Constitution of Arizona, to be used for the support	
38	of state juvenile institutions and reformatories.	
39	Before the expenditure of any state education fund for committed youth	
40	receipts in excess of \$2,682,500, the department of juvenile corrections	
41	shall report the intended use of the monies to the director of the joint	
42	legislative budget committee.	
43	Sec. 12. STATE MINE INSPECTOR	
44		<u>2008-09</u>
45	FTE positions	17.0
46	Operating lump sum appropriation	\$ 1,382,800

Senate Amendments to H.B. 2209

1	Abandoned mines safety fund deposit	<u>182,000</u>
2	Total appropriation - state mine inspector	\$ 1,564,800
3	Fund sources:	
4	State general fund	\$ 1,564,800
5	Performance measures:	
6	Per cent of mandated inspections completed	80
7	Number of inspections	632
8	Customer satisfaction rating for mines	
9	(Scale 1-8)	6.0
10	Sec. 13. ARIZONA NAVIGABLE STREAM ADJUDICATION COMMISSION	
11		<u>2008-09</u>
12	FTE positions	2.0
13	Lump sum appropriation	\$ 180,000
14	Fund sources:	
15	State general fund	\$ 180,000
16	Sec. 14. DEPARTMENT OF PUBLIC SAFETY	
17		<u>2008-09</u>
18	FTE positions	2,114.8
19	Operating lump sum appropriation	\$191,253,100
20	GIITEM	31,799,700
21	Motor vehicle fuel	3,935,500
22	Sworn officer salary adjustments	<u>1,274,100</u>
23	Total appropriation - department of public	
24	safety	\$228,262,400
25	Fund sources:	
26	State general fund	\$ 59,121,500
27	Highway user revenue fund	84,949,500
28	State highway fund	41,050,500
29	Arizona highway patrol fund	21,620,000
30	Criminal justice enhancement fund	3,290,300
31	Safety enforcement and transportation	
32	infrastructure fund	1,564,100
33	Crime laboratory assessment fund	5,844,600
34	Arizona deoxyribonucleic acid	
35	identification system fund	3,623,200
36	Automated fingerprint identification	
37	system fund	3,299,200
38	Motorcycle safety fund	205,000
39	Risk management fund	296,200
40	Parity compensation fund	3,398,300
41	Performance measures:	
42	Per cent of scientific analysis cases over	
43	30 calendar days old	3.0
44	Per cent of system reliability of the Arizona	
45	automated fingerprint identification network	98
46	Clandestine labs dismantled	50
47	Of the \$31,799,700 appropriated to GIITEM, \$10,000,000 is to be used	
48	for the multijurisdictional task force known as the gang and immigration	

1 intelligence team enforcement mission (GIITEM). If the department of public
2 safety uses any of the monies appropriated for GIITEM for an agreement or
3 contract with a city, town, county or other entity to provide services for
4 the GIITEM program, the city, town, county or other entity shall provide not
5 less than 15 per cent of the cost of the services and the department of
6 public safety shall provide not more than 85 per cent of the cost for each
7 agreement or contract. The distribution of these monies are contingent on
8 the department of public safety entering into a 287 memorandum of
9 understanding with the United States department of homeland security. The
10 \$10,000,000 is to be used for functions relating to immigration enforcement,
11 including border security and border personnel. As state and local law
12 enforcement officers trained pursuant to a 287 memorandum of understanding come
13 into contact with gang or suspected gang members and there is reason to believe
14 that the individual has entered or remained in the United States illegally, the
15 use of these monies is contingent on law enforcement agencies verifying the
16 immigration status of these individuals and taking appropriate action that will
17 not jeopardize an ongoing investigation or damage an informant relationship
18 with a law enforcement agency. The \$10,000,000 is exempt from the provisions
19 of section 35-190, Arizona Revised Statutes, relating to the lapsing of
20 appropriations, except that all unexpended and unencumbered monies shall revert
21 on June 30, 2009. The department shall submit an expenditure plan to the joint
22 legislative budget committee for review before expending any monies not
23 identified in the department's previous expenditure plans. Within thirty days
24 after the last day of each calendar quarter, the department shall provide a
25 summary of quarterly and year-to-date expenditures and progress to the joint
26 legislative budget committee.

27 Of the \$31,799,700 appropriated to GIITEM, \$10,045,900 is to be used
28 for one hundred department of public safety GIITEM personnel located anywhere
29 in this state. The additional staff shall include at least fifty sworn
30 department of public safety positions to be used for immigration enforcement
31 and border security and up to fifty department of public safety positions to
32 expand GIITEM's public awareness, investigation and intelligence efforts.
33 The additional positions would assist GIITEM in various efforts, including
34 arresting illegal aliens, responding to and investigating complaints of
35 employers hiring illegal aliens, investigating crimes of identity theft in
36 the context of hiring illegal aliens and the unlawful entry into the country
37 and taking enforcement action, as permitted under federal law and article VI
38 of the U.S. Constitution. As state and local law enforcement officers trained
39 pursuant to a 287 memorandum of understanding come into contact with gang or
40 suspected gang members and there is reason to believe that the individual has
41 entered or remained in the United States illegally, the use of these monies is
42 contingent on law enforcement agencies verifying the immigration status of
43 these individuals and taking appropriate action that will not jeopardize an
44 ongoing investigation or damage an informant relationship with a law
45 enforcement agency. The department shall submit an expenditure plan to the
46 joint legislative budget committee for review before expending any monies not
47 identified in the department's previous expenditure plans. Within thirty
48 days after the last day of each calendar quarter, the department shall

1 provide a summary of quarterly and year-to-date expenditures and progress to
 2 the joint legislative budget committee.

3 It is the intent of the legislature that in fiscal year 2009-2010 the
 4 remaining \$1,274,100 will be appropriated for sworn officer pay to complete
 5 the five-year officer pay plan.

6 The operating lump sum appropriation includes a lump sum reduction of
 7 \$(1,200,000). This reduction shall not be taken against any monies
 8 appropriated to GIITEM or sworn officers.

9 Any monies remaining in the department of public safety joint account
 10 on June 30, 2009 shall revert to the funds from which they were appropriated.
 11 The reverted monies shall be returned in direct proportion to the amounts
 12 appropriated.

13 Sec. 15. SCHOOL FACILITIES BOARD

	<u>2008-09</u>
FTE positions	20.0
Operating lump sum appropriation	\$ 1,944,400
New school facilities debt service	79,268,400
Building renewal grant	<u>20,000,000</u>
Total appropriation - school facilities	
board	\$101,212,800
Fund sources:	
State general fund	\$101,212,800
Performance measures:	
Per cent of school districts inspected	
meeting minimum adequacy standards	100
Per cent of school districts rating the	
board's services as "good" or "excellent"	
in an annual survey	95

29 Sec. 16. DEPARTMENT OF TRANSPORTATION

	<u>2008-09</u>
<u>Administration</u>	
FTE positions	412.0
Operating lump sum appropriation	\$ 42,409,600
Attorney general legal services	<u>3,052,600</u>
Total appropriation - administration	\$ 45,462,200
Fund sources:	
State highway fund	\$ 45,462,200
<u>Highways</u>	
FTE positions	2,548.0
Operating lump sum appropriation	\$137,939,600
Highway maintenance	132,027,000
Vehicles and heavy equipment	38,147,800
Vehicles and heavy equipment	
fuel surcharge	<u>2,000,000</u>
Total - highways	\$310,114,400

1	Fund sources:	
2	State general fund	\$ 84,600
3	Safety enforcement and	
4	transportation	
5	infrastructure fund	558,700
6	State highway fund	270,323,300
7	Transportation department	
8	equipment fund	39,147,800
9	Performance measures:	
10	Per cent of Maricopa regional freeway	
11	miles completed for the original	
12	twenty-year half cent sales tax	
13	ending December 31, 2005	100
14	Per cent of Maricopa regional freeway	
15	travel lane miles completed for	
16	the twenty-year half cent sales tax	
17	extension effective January 1, 2006	10.5
18	Per cent of overall highway construction	
19	projects completed on schedule	97
20	Of the total amount appropriated for the highways program, \$132,027,000	
21	in fiscal year 2008-2009 for highway maintenance is exempt from the	
22	provisions of section 35-190, Arizona Revised Statutes, relating to lapsing	
23	of appropriations, except that all unexpended and unencumbered monies of the	
24	appropriation revert to their fund of origin, either the state highway fund	
25	or the safety enforcement and transportation infrastructure fund, on August	
26	31, 2009.	
27	Of the total amount appropriated for the highways program, \$2,663,000	
28	in fiscal year 2008-2009 is for performance pay for participants in the	
29	department's engineer pay plan. The department shall establish performance	
30	measures with measurable quality and quantity objectives for participants in	
31	the engineer pay plan that are designed to result in increased productivity	
32	and improved quality of the delivery of state services or products. The	
33	department shall either apply these performance measures to the entire	
34	engineer pay plan or apply relevant performance measures to subsets within	
35	the engineering pay plan either on a group or individual basis. Every	
36	quarter or month, the department shall review the participants' performance	
37	to determine if the performance measures were met. If the performance	
38	measures are met or exceeded, the applicable participants are entitled to	
39	receive the performance pay for the corresponding quarter.	
40	<u>Motor vehicle</u>	
41	FTE positions	1,755.0
42	Operating lump sum appropriation	\$108,003,600
43	Abandoned vehicle administration	1,039,800

Senate Amendments to H.B. 2209

1	Fraud investigation	788,300
2	New third party funding	<u>960,300</u>
3	Total appropriation - motor vehicle	\$110,792,000
4	Fund sources:	
5	Air quality fund	\$ 71,700
6	Driving under the influence	
7	abatement fund	143,300
8	Highway user revenue fund	617,000
9	Motor vehicle liability insurance	
10	enforcement fund	2,456,900
11	Safety enforcement and	
12	transportation infrastructure	
13	fund	1,613,700
14	State highway fund	104,169,700
15	Vehicle inspection and title	
16	enforcement fund	1,719,700
17	Performance measures:	
18	Average office wait time from arriving at	
19	MVD office to receiving numbered ticket	
20	(minutes)	2.0
21	Average office wait time from receiving	
22	numbered ticket to arriving at counter	
23	(minutes)	15.0
24	Per cent of office customers rating	
25	services "good" or "excellent"	83
26	Average telephone wait time to speak	
27	to an MVD employee (minutes)	15.2
28	Per cent of alternative vehicle	
29	registration renewal methods	
30	(mail, internet, third party)	80

31 The department shall not transfer any funds to or from the motor
 32 vehicle division without the review by the joint legislative budget
 33 committee.

34 The department of transportation shall submit quarterly progress
 35 reports to the joint legislative budget committee on their progress in
 36 improving motor vehicle division wait times and vehicle registration renewal
 37 by mail turnaround times. The reports shall document the monthly averages
 38 for the total time customers spent at the office and the reasons for changes
 39 in these times for each motor vehicle division field office equipped with
 40 electronic customer monitoring devices. The reports shall document the wait
 41 time to get a numbered ticket from a motor vehicle division employee, the
 42 time between receiving the numbered ticket and arriving at the counter and
 43 the transaction time at the counter. The reports shall document the number
 44 of customers who arrived at motor vehicle division offices but who did not
 45 complete their transaction, and the motor vehicle division's average
 46 turnaround time for vehicle registration renewal by mail. The reports shall
 47 include details by office for all offices in the metropolitan areas which are
 48 defined to include all of Maricopa county, Apache Junction, Tucson and

Flagstaff, and summarized for the nonmetropolitan areas. In addition to documenting wait times, the reports shall document the number of primary transactions (driver licenses, titles and vehicle registrations) and secondary transactions (all others), the number of counter positions assigned and filled and the productivity levels (the average number of primary transactions completed by staff and the average number of secondary transactions completed by staff). The reports shall document the number of primary and secondary transactions completed by third parties by metropolitan and nonmetropolitan area offices. The reports are due within thirty days after the end of each calendar quarter.

Aeronautics

FTE positions	33.0
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Lump sum appropriation	\$ 2,353,900
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Fund sources:

State aviation fund	\$ 2,353,900
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Performance measures:

Per cent of airport development projects completed on schedule	95
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Total appropriation - department of transportation	<u>\$468,722,500</u>
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Fund sources:

State general fund	\$ 84,600
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Air quality fund	71,700
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Driving under the influence abatement fund	143,300
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Highway user revenue fund	617,000
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Motor vehicle liability insurance enforcement fund	2,456,900
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Safety enforcement and transportation infrastructure fund	2,172,400
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State aviation fund	2,353,900
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State highway fund	419,955,200
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Transportation department equipment fund	39,147,800
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Vehicle inspection and title enforcement fund	1,719,700
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Of the \$468,722,500 appropriation to the department of transportation, the department of transportation shall pay \$16,773,800 in fiscal year 2008-2009 from all funds to the department of administration for its risk management payment.

Sec. 17. STATE TREASURER

2008-09

FTE positions	34.4
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Operating lump sum appropriation	\$ 2,842,700
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Justice of the peace salaries	<u>2,230,100</u>
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Total appropriation - state treasurer	\$ 5,072,800
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Fund sources:

1	State general fund	\$ 5,071,500
2	State treasurer's management fund	1,300
3	Performance measures:	
4	Ratio of yield of LGIP to Standard	
5	and Poor's LGIP index	1.2
6	Ratio of yield of endowment pools to	
7	Big Bond Index	1.1
8	Customer satisfaction rating for local	
9	government investment pool participants	
10	(Scale 1-8)	7.4
11	Before changing the six basis point investment management fee, the	
12	treasurer shall submit the proposed change and its fiscal impact for review	
13	by the joint legislative budget committee.	
14	Sec. 18. UNIVERSITIES	
15	ARIZONA BOARD OF REGENTS	
16		<u>2008-09</u>
17	FTE positions	27.9
18	Operating lump sum appropriation	\$ 2,404,100
19	Arizona teachers incentive program	90,000
20	Arizona transfer articulation	
21	support system	213,700
22	Student financial assistance	10,041,200
23	Math and science teacher initiative	2,250,000
24	Western interstate commission	
25	office	116,000
26	WICHE student subsidies	<u>4,115,000</u>
27	Total appropriation - Arizona board of	
28	regents	\$ 19,230,000
29	Fund sources:	
30	State general fund	\$ 19,230,000
31	Performance measures:	
32	Per cent of graduating seniors who rate	
33	their overall university experience	
34	as "good"/"excellent"	96
35	Per cent of full-time undergraduate students	
36	enrolled per semester in three or more	
37	primary courses with ranked faculty	77
38	Per cent of full-time undergraduate students	
39	enrolled per semester in three or more	
40	primary courses with professors of any rank	44
41	Average number of years taken to graduate	
42	for students who began as freshmen	4.5
43	The \$2,250,000 appropriation from the state general fund for the math	
44	and science teacher initiative shall be deposited into the mathematics,	
45	science and special education teacher student loan fund if established by	
46	section 15-1784, Arizona Revised Statutes. Of this amount, the Arizona board	
47	of regents shall use \$1,750,000 for student loans to eligible prospective	
48	math and science teachers and \$500,000 for student loans to eligible	

prospective special education teachers. The Arizona board of regents may retain up to \$100,000 of the appropriation for the math and science teacher initiative for administrative costs directly incurred by the board.

Within ten days of the acceptance of the universities' semiannual all funds budget reports, the Arizona board of regents shall submit an expenditure plan for review by the joint legislative budget committee. The expenditure plan shall include any tuition revenue amounts that are greater than the appropriated amounts and all retained tuition and fee revenue expenditures for the current fiscal year. The additional revenue expenditure plan shall provide as much detail as the university budget requests.

ARIZONA STATE UNIVERSITY

2008-09

Main campus

FTE positions	7,010.8
Operating lump sum appropriation	\$583,352,900
Biomedical informatics	3,051,800
Downtown Phoenix campus	<u>51,573,100</u>
Total - Main campus	\$637,977,800

Fund sources:

State general fund	\$401,904,100
University collections fund	236,073,700

Performance measures:

Per cent of graduating seniors who rate their overall university experience as "good"/"excellent"	96
Per cent of full-time undergraduate students enrolled per semester in three or more primary courses with ranked faculty	71
Per cent of full-time undergraduate students enrolled per semester in three or more primary courses with professors of any rank	35
Average number of years taken to graduate for students who began as freshmen	4.6
External dollars for research and creative activity	\$205,000,000

East campus

FTE positions	610.3
Operating lump sum appropriation	\$ 56,243,500
TRIF lease-purchase payment	<u>2,000,000</u>
Total - East campus	\$ 58,243,500

Fund sources:

State general fund	\$ 31,092,300
University collections fund	25,151,200
Technology and research initiative fund	2,000,000

Performance measures:

Per cent of graduating seniors who rate their overall university experience	
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1	as "good"/"excellent"	97
2	Per cent of full-time undergraduate students	
3	enrolled per semester in three or more	
4	primary courses with ranked faculty	68
5	Per cent of full-time undergraduate students	
6	enrolled per semester in three or more	
7	primary courses with professors of any rank	27
8	Average number of years taken to graduate	
9	for students who began as freshmen	5.0
10	<u>West campus</u>	
11	FTE positions	847.9
12	Operating lump sum appropriation	\$ 81,888,800
13	TRIF lease-purchase payment	<u>1,600,000</u>
14	Total - West campus	\$ 83,488,800
15	Fund sources:	
16	State general fund	\$ 56,796,300
17	University collections fund	25,092,500
18	Technology and research initiative	
19	fund	1,600,000
20	Performance measures:	
21	Per cent of graduating seniors who rate	
22	their overall university experience	
23	as "good"/"excellent"	98
24	Per cent of full-time undergraduate students	
25	enrolled per semester in three or more	
26	primary courses with ranked faculty	69
27	Per cent of full-time undergraduate students	
28	enrolled per semester in three or more	
29	primary courses with professors of any rank	35
30	Average number of years taken to graduate for	
31	students who began as freshmen	4.5
32	Total appropriation - Arizona state	
33	university	<u>\$779,710,100</u>
34	Fund sources:	
35	State general fund	\$489,792,700
36	University collections fund	286,317,400
37	Technology and research initiative	
38	fund	3,600,000
39	The state general fund appropriations shall not be used for alumni	
40	association funding.	
41	The appropriated monies are not to be used for scholarships.	
42	The appropriated monies are not to be used to support any student	
43	newspaper.	
44	The appropriated monies shall not be used by the Arizona state	
45	university college of law legal clinic for any lawsuits involving inmates of	
46	the state department of corrections in which the state is the adverse party.	
47	Any unencumbered balances remaining in the collections account on June	
48	30, 2008 and all collections received by the university during the fiscal	

year, when paid into the state treasury, are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with the enabling act and the Constitution of Arizona. No part of this appropriation may be expended for supplemental life insurance or supplemental retirement. Receipts from summer session, when deposited in the state treasury, together with any unencumbered balance in the summer session account, are appropriated for the purpose of conducting summer sessions but are excluded from the amounts enumerated above.

NORTHERN ARIZONA UNIVERSITY

2008-09

FTE positions	2,238.9
Operating lump sum appropriation	\$210,718,700
NAU - Yuma	2,489,500
Teacher training	2,000,000

The appropriated amount for the teacher training line item is to be distributed to the Arizona K-12 center for program implementation and mentor training for the Arizona mentor teacher program prescribed by the state board of education.

Total appropriation - Northern Arizona university	\$215,208,200
Fund sources:	
State general fund	\$163,468,600
University collections fund	51,739,600

Performance measures:

Per cent of graduating seniors who rate their overall university experience as "good"/"excellent"	98
Per cent of full-time undergraduate students enrolled per semester in three or more primary courses with ranked faculty	93
Per cent of full-time undergraduate students enrolled per semester in three or more primary courses with professors of any rank	65
Average number of years taken to graduate for students who began as freshmen	4.5

The state general fund appropriations shall not be used for alumni association funding.

The appropriated monies are not to be used for scholarships.

The appropriated monies are not to be used to support any student newspaper.

Any unencumbered balances remaining in the collections account on June 30, 2008 and all collections received by the university during the fiscal year, when paid into the state treasury, are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with the enabling act and the Constitution of Arizona. No part of

1 this appropriation may be expended for supplemental life insurance or
 2 supplemental retirement. Receipts from summer session, when deposited in the
 3 state treasury, together with any unencumbered balance in the summer session
 4 account, are appropriated for the purpose of conducting summer sessions but
 5 are excluded from the amounts enumerated above.

UNIVERSITY OF ARIZONA

2008-09Main campus

FTE positions	5,679.5
Operating lump sum appropriation	\$412,684,200
Agriculture	40,427,500
Arizona cooperative extension	14,511,900
Sierra Vista campus	<u>5,625,300</u>
Total - Main campus	\$473,248,900

Fund sources:

State general fund	\$344,004,000
University collections fund	129,244,900

Performance measures:

Per cent of graduating seniors who rate their overall university experience as "good"/"excellent"	96
Per cent of full-time undergraduate students enrolled per semester in three or more primary courses with ranked faculty	80
Per cent of full-time undergraduate students enrolled per semester in three or more primary courses with professors of any rank	50
Average number of years taken to graduate for students who began as freshmen	4.6

Health sciences center

FTE positions	966.1
Operating lump sum appropriation	\$ 68,939,500
Clinical rural rotation	515,200
Clinical teaching support	9,969,700
Liver research institute	544,800
Phoenix medical campus	12,701,700
Telemedicine network	<u>2,237,900</u>
Total - health sciences center	\$ 94,908,800

Fund sources:

State general fund	\$ 80,845,800
University collections fund	14,063,000

Performance measures:

Per cent of graduating seniors who rate their overall university experience as "good"/"excellent"	97
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Total appropriation - university of Arizona	<u>\$568,157,700</u>
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Fund sources:

State general fund \$424,849,800

University collections fund 143,307,900

The state general fund appropriations shall not be used for alumni association funding.

The appropriated monies are not to be used for scholarships.

The appropriated monies are not to be used to support any student newspaper.

Any unencumbered balances remaining in the collections account on June 30, 2008 and all collections received by the university during the fiscal year, when paid into the state treasury, are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with the enabling act and the Constitution of Arizona. No part of this appropriation may be expended for supplemental life insurance or supplemental retirement. Receipts from summer session, when deposited in the state treasury, together with any unencumbered balance in the summer session account, are appropriated for the purpose of conducting summer sessions but are excluded from the amounts enumerated above.

University budget requests shall provide as much detail for the Phoenix medical campus as for any other budget program. Notwithstanding section 35-173, subsection C, Arizona Revised Statutes, any proposed transfer to or from the amounts appropriated for the Phoenix medical campus line item shall require prior review by the joint legislative budget committee.

On August 15, 2008 and February 15, 2009, the university of Arizona and the Arizona board of regents shall report to the joint legislative budget committee updates concerning the formal relationship between the Phoenix medical campus and area hospitals, partnerships with private medical schools, the availability of clinical rotations for medical students in this state, the creation of new residency positions in this state, the expansion of medical services in this state's rural areas, the attraction of out-of-state medical students to practice in this state and any other strategies being considered or employed to prevent a doctor shortage in this state or the rural areas of this state.

Lump sum reduction \$ (50,000,000)

Fund sources:

State general fund \$ (50,000,000)

On August 15, 2008, the Arizona board of regents shall report to the joint legislative budget committee the final allocation of the \$50,000,000 general fund reduction among university campuses.

Total appropriation - universities \$1,532,306,000

Fund sources:

State general fund \$1,047,341,100
University collections fund 481,364,900
Technology and research
initiative fund 3,600,000

Sec. 19. Appropriation reductions; fiscal year 2008-2009

Notwithstanding any other law, the following amounts are reduced from the state general fund in fiscal year 2008-2009 as listed below from appropriations made to state agencies:

1. Office of administrative hearings - \$4,500.
2. Arizona department of agriculture - \$1,100,000.
3. Commission on the arts - \$200,000.
4. Attorney general - \$750,000.
5. State board for charter schools - \$262,400 and 3 FTE positions.
6. Department of commerce - \$3,725,900 and 10 FTE positions.
7. Corporation commission - \$1,092,000.
8. Arizona criminal justice commission - \$2,930,000.
9. Department of emergency and military affairs - \$200,000.
10. Department of environmental quality - \$8,600,000.
11. Governor's office of equal opportunity - \$13,000.
12. State board of equalization - \$14,000.
13. Board of executive clemency - \$60,000.
14. Department of fire, building and life safety - \$300,000.
15. Arizona geological survey - \$60,000. The geological survey reduction may not be taken against the appropriation made for earth fissure maps.
16. Government information technology agency - \$600,000. No more than \$100,000 of the government information technology agencywide lump sum reduction may be taken against the appropriation for the e-health initiative.
17. Office of the governor - \$367,900.
18. Governor's office of strategic planning and budgeting - \$115,700.
19. Arizona historical society - \$80,000.
20. Prescott historical society - \$15,000.
21. Arizona commission of Indian affairs - \$5,000.
22. Department of insurance - \$435,500.
23. State land department - \$3,155,500.
24. Law enforcement merit system council - \$2,000.
25. Auditor general - \$939,600.
26. House of representatives - \$618,100.
27. Joint legislative budget committee - \$152,100.
28. Legislative council - \$285,900.
29. Arizona state library, archives & public records - \$389,400.
30. Senate - \$426,600.
31. Department of liquor licenses and control - \$212,000.
32. Board of medical student loans - \$379,000.
33. Department of mines and mineral resources - \$40,000.
34. Arizona state parks board - \$250,000.
35. Arizona pioneers' home - \$1,236,000.
36. Commission for postsecondary education - \$3,050,000.

37. Arizona department of racing - \$217,600.
38. Radiation regulatory agency - \$522,900.
39. State real estate department - \$461,000.
40. Department of revenue - \$400,000.
41. Secretary of state - \$138,000.
42. State board of tax appeals - \$6,300.
43. Office of tourism - \$1,600,000.
44. Department of water resources - \$6,900,000.
45. Department of weights and measures - \$100,000.

Sec. 20. Fund reduction; game and fish

Notwithstanding any other law, \$2,000,000 is reduced from the watercraft licensing fund in fiscal year 2008-2009.

Sec. 21. Appropriation reduction; department of public safety parking garage

Notwithstanding Laws 2007, chapter 261, section 16, the department of public safety appropriation from the DNA identification system fund is reduced by \$2,000,000 in fiscal year 2008-2009 to delay the construction of a new parking garage.

Sec. 22. Appropriation reduction; biomedical research commission

Notwithstanding Laws 2007, chapter 263, section 42, the Arizona biomedical research commission appropriation from the state general fund is reduced by \$1,000,000 in fiscal year 2008-2009 to delay the public regenerative tissue repository.

Sec. 23. Appropriation reduction; military installation fund

Notwithstanding Laws 2004, chapter 235, the appropriation to the department of commerce for the military installation fund is reduced by \$4,800,000 from the state general fund in fiscal year 2008-2009.

Sec. 24. Transfer of fund monies to the state general fund; fiscal year 2008-2009

A. On or before June 30, 2009, the following amounts from the funds or sources indicated are transferred to the state general fund for the purposes of providing adequate support and maintenance for agencies of this state:

1. State board of accountancy:
 - Board of accountancy fund - \$1,016,700.
2. Acupuncture board of examiners:
 - Acupuncture board of examiners fund - \$88,300.
3. Department of administration:
 - Certificate of participation fund - \$750,000.
 - Construction insurance fund - \$11,628,800.
 - Motor vehicle pool revolving fund - \$4,793,500.
 - Retiree accumulated sick leave fund - \$7,597,300.
 - Emergency telecommunication services revolving fund - \$25,085,500.
 - Capital outlay stabilization fund - \$1,500,000.
 - Risk management revolving fund - \$16,337,000.
 - Special employee health insurance trust fund - \$453,800.
4. Arizona department of agriculture:
 - Agricultural consulting and training fund - \$250,000.

- 1 Pesticide fund - \$25,000.
- 2 Seed law fund - \$15,000.
- 3 5. State board of appraisal:
- 4 Board of appraisal fund - \$590,000.
- 5 6. Attorney general - department of law:
- 6 Anti-racketeering revolving fund - \$302,100.
- 7 Prosecuting attorney council fund - \$190,000.
- 8 7. Board of barbers:
- 9 Board of barbers fund - \$406,000.
- 10 8. State board of chiropractic examiners:
- 11 Board of chiropractic examiners fund - \$66,800.
- 12 9. Department of commerce:
- 13 Commerce and economic development commission fund - \$1,100,000.
- 14 Greater Arizona development authority revolving fund - \$2,000,000.
- 15 Job training fund - \$10,300,000.
- 16 Military installation fund - \$3,000,000.
- 17 10. Registrar of contractors:
- 18 Registrar of contractors fund - \$2,000,000.
- 19 Residential contractors' recovery fund - \$6,600,000.
- 20 11. Corporation commission:
- 21 Utility regulation revolving fund - \$2,632,600.
- 22 Securities regulatory and enforcement fund - \$1,200,000.
- 23 Investment management regulatory and enforcement fund - \$500,000.
- 24 Public access fund - \$339,300.
- 25 12. State department of corrections:
- 26 Transition office fund - \$339,600.
- 27 Transition program drug treatment fund - \$100,000.
- 28 Alcohol abuse treatment fund - \$1,300,000.
- 29 13. Board of cosmetology:
- 30 Board of cosmetology fund - \$1,803,800.
- 31 14. Arizona criminal justice commission:
- 32 Criminal justice enhancement fund - \$100,000.
- 33 State aid to county attorneys fund - \$1,550,000.
- 34 State aid to indigent defense fund - \$1,550,000.
- 35 15. Commission for the deaf and the hard of hearing:
- 36 Telecommunication fund for the deaf - \$1,044,600.
- 37 16. State board of dental examiners:
- 38 Dental board fund - \$1,489,000.
- 39 17. Department of economic security:
- 40 Spinal and head injuries trust fund - \$395,200.
- 41 Special administration fund - \$2,900,000.
- 42 Public assistance collections fund - \$186,900.
- 43 Utility assistance fund - \$550,000.
- 44 18. Department of education:
- 45 Special education fund - \$4,234,000.
- 46 Internal services fund - \$500,000.
- 47 Assistance for education - \$100,000.
- 48 Golden rule special plate fund - \$274,600.

- 1 19. Department of emergency military affairs:
 - 2 State armory property fund - \$44,600.
- 3 20. Department of environmental quality:
 - 4 Air quality fund - \$1,100,000.
 - 5 Indirect cost recovery fund - \$2,000,000.
 - 6 Recycling fund - \$3,000,000.
 - 7 Water quality assurance revolving fund - \$4,000,000.
 - 8 Underground storage tank revolving fund - \$12,000,000.
 - 9 Emissions inspection fund - \$2,500,000.
 - 10 Solid waste fee fund - \$400,000.
 - 11 Voluntary vehicle repair and retrofit program fund - \$750,000.
 - 12 Water quality fee fund - \$850,000.
 - 13 Clean water revolving fund - \$10,700,000.
 - 14 Drinking water fund - \$5,000,000.
- 15 21. Department of financial institutions:
 - 16 Arizona escrow guaranty fund - \$450,000.
 - 17 Receivership revolving fund - \$500,000.
- 18 22. State board of funeral directors and embalmers:
 - 19 Board of funeral directors and embalmers fund - \$491,700.
- 20 23. Arizona game and fish department:
 - 21 Watercraft licensing fund - \$2,000,000.
 - 22 Off-highway vehicle fund - \$200,000.
 - 23 Game and fish publications revolving fund - \$100,000.
- 24 24. Government information technology agency:
 - 25 State web portal fund - \$100,000.
- 26 25. Department of health services:
 - 27 Intergovernmental agreements fund - \$1,000,000.
 - 28 Emergency medical services operating fund - \$1,000,000.
 - 29 Indirect cost fund - \$4,000,000.
 - 30 Substance abuse services fund - \$750,000.
 - 31 Internal services fund - \$50,000.
 - 32 Vital records electronic systems fund - \$100,000.
 - 33 Hearing and speech professionals fund - \$25,000.
 - 34 Poison control fund - \$4,600.
 - 35 Arizona medical board fund - \$25,800.
 - 36 Prescription drug advisory council - \$10,000.
- 37 26. Arizona department of housing:
 - 38 Housing program fund - \$583,700.
 - 39 Housing trust fund - \$8,237,400.
- 40 27. Industrial commission of Arizona:
 - 41 Industrial commission administrative fund - \$10,000,000.
- 42 28. Department of insurance:
 - 43 Insurance examiners' revolving fund - \$750,000.
- 44 29. Judiciary:
 - 45 Juvenile delinquent reduction fund - \$5,500,000.
 - 46 Drug treatment and education fund - \$500,800.
 - 47 Arizona lengthy trial fund - \$750,000.

- 1 30. Juvenile corrections:
 - 2 Criminal justice enhancement fund - \$150,000.
- 3 31. Department of liquor license and control:
 - 4 Liquor license special collections fund - \$670,000.
- 5 32. Arizona state lottery commission:
 - 6 State lottery fund - \$4,543,600.
- 7 33. Naturopathic physicians board of medical examiners:
 - 8 Naturopathic physicians board of medical examiners fund - \$618,000.
- 9 34. State board of nursing:
 - 10 Board of nursing fund - \$1,004,900.
- 11 35. Board of occupational therapy examiners:
 - 12 Occupational therapy fund - \$239,500.
- 13 36. State board of optometry:
 - 14 Board of optometry fund - \$185,600.
- 15 37. Arizona board of osteopathic examiners:
 - 16 Board of osteopathic examiners fund - \$541,100.
- 17 38. Arizona state parks board:
 - 18 Off-highway vehicle recreation fund - \$1,086,000.
 - 19 State lake improvement fund - \$6,353,500.
- 20 39. Arizona state board of pharmacy:
 - 21 Board of pharmacy fund - \$549,700.
- 22 40. State board for private postsecondary education:
 - 23 Board for private postsecondary education fund - \$142,400.
- 24 41. State board of psychologist examiners:
 - 25 Board of psychologist examiners fund - \$563,000.
- 26 42. Department of public safety:
 - 27 Automated fingerprint identification system fund - \$500,000.
 - 28 Arizona deoxyribonucleic acid (DNA) identification system fund -
 - 29 \$2,500,000.
 - 30 Arizona highway patrol fund - \$2,000,000.
 - 31 Records processing fund - \$301,600.
- 32 43. Arizona department of racing:
 - 33 Arizona breeders award fund - \$113,500.
 - 34 County fairs racing betterment fund - \$200,000.
- 35 44. State real estate department:
 - 36 Condominium recovery fund - \$5,000.
 - 37 Recovery fund - \$202,500.
- 38 45. Department of revenue:
 - 39 Liability setoff fund - \$850,000.
- 40 46. Structural pest control commission:
 - 41 Structural pest control commission fund - \$554,900.
- 42 47. State board of technical registration:
 - 43 Technical registration fund - \$978,700.
- 44 48. Office of tourism:
 - 45 Tourism fund - \$4,500,000.
- 46 49. Department of transportation:
 - 47 Economic strength project fund - \$1,000,000.
 - 48 Motor vehicle liability insurance enforcement fund - \$4,000,000.

1 State aviation fund - \$18,300,000.

2 Transportation department equipment fund - \$3,100,000.

3 Vehicle inspection and title enforcement fund - \$1,750,000.

4 50. Veterinary medical examining board fund - \$609,500.

5 51. Department of water resources:

6 Arizona water banking fund - \$5,500,000.

7 52. Budget stabilization fund - \$20,000,000.

8 B. Agencies listed shall reduce expenditures from the listed funds
9 accordingly in order to ensure a sufficient fund balance for these fund
10 transfers.

11 C. The fund transfers in this section shall be made as soon as is
12 practicable to avoid a shortfall in each fund. On or before September 1,
13 2008, the governor's office of strategic planning and budgeting shall report
14 to the joint legislative budget committee on any fund transfers that have not
15 been fully made as of August 15, 2008. For each fund transfer not fully made
16 as of September 1, 2008, the report shall list when the fund transfer will be
17 completed or additional steps required, in addition to those authorized under
18 subsection D, to make the full fund transfer.

19 D. Notwithstanding any other law, to provide for effective continuity
20 of state operations a budget unit may request a temporary cash transfer from
21 one of its own funds to another of its own funds from the state comptroller
22 to accommodate a temporary cash flow issue. The state comptroller shall
23 coordinate all activity with the governor's office of strategic planning and
24 budgeting and shall notify the joint legislative budget committee staff of
25 any cash transfers pursuant to this section. This notice shall include a
26 monthly cash flow of all funds involved and shall include a plan for
27 returning the monies to their original fund. All monies temporarily used
28 shall be returned to the original fund no later than June 30, 2009. The
29 state comptroller shall file a final report on all activity under this
30 provision with the joint legislative budget committee staff and the
31 governor's office of strategic planning and budgeting no later than
32 August 1, 2009.

33 Sec. 25. Vehicle license tax; transfer

34 Notwithstanding section 28-6538, Arizona Revised Statutes, or any other
35 law, the first \$38,139,000 received in fiscal year 2008-2009 pursuant to
36 title 28, chapter 16, article 3, Arizona Revised Statutes, relating to
37 vehicle license tax, for distribution to the state highway fund pursuant to
38 section 28-6538, subsection A, paragraph 1, Arizona Revised Statutes, shall
39 be deposited in the state general fund.

40 Sec. 26. Arizona state lottery commission; advertising cap
41 suspension

42 Notwithstanding Laws 2007, chapter 255, section 59, the Arizona state
43 lottery commission 2.7 per cent rate and \$11,000,000 advertising caps are
44 suspended for fiscal year 2008-2009.

45 Sec. 27. Supplemental appropriation; corporation commission

46 A. The sum of \$391,400 and 9 FTE positions are appropriated from the
47 public access fund in fiscal year 2008-2009 to the corporation commission for
48 supplemental funding as follows:

1 1. \$338,300 to replace the state of Arizona public access system.
2 2. \$53,100 and 1 FTE position to address slow processing times for the
3 annual reports division.

4 3. 8 FTE positions for the corporations filings same day service line
5 item.

6 B. The sum of \$546,000 is appropriated from the utility regulating
7 revolving fund in fiscal year 2008-2009 to the corporation commission for
8 operating expenses.

9 Sec. 28. Supplemental appropriation; state board of nursing

10 The sum of \$561,300 is appropriated to the state board of nursing from
11 the board of nursing fund in fiscal year 2008-2009 to investigate certified
12 nursing assistants.

13 Sec. 29. Supplemental appropriation; Arizona state retirement
14 system

15 The sum of \$267,700 is appropriated from the state retirement system
16 administration account in fiscal year 2008-2009 to the Arizona state
17 retirement system for increases in employee related expenditures.

18 Sec. 30. Supplemental appropriation; government information
19 technology agency

20 The sum of \$2,055,800 is appropriated from the state general fund in
21 fiscal year 2008-2009 to the government information technology agency for
22 supplemental funding as follows:

23 1. \$1,175,200 to transfer the 2-1-1 program from the Arizona health
24 care cost containment system.

25 2. \$880,600 to transfer the public safety communications program from
26 the department of public safety.

27 Sec. 31. Supplemental appropriation; government information
28 technology agency

29 The sum of \$870,300 is appropriated from the information technology
30 fund in fiscal year 2008-2009 to the government information technology agency
31 for the statewide information security and privacy office special line.

32 Sec. 32. Supplemental appropriation; state capital
33 postconviction public defender office

34 The sum of \$135,000 is appropriated from the state general fund in
35 fiscal year 2008-2009 to the state capital postconviction public defender
36 office for caseload growth.

37 Sec. 33. Supplemental appropriation; commission for
38 postsecondary education

39 The sum of \$900,000 is appropriated from the postsecondary education
40 fund in fiscal year 2008-2009 to the commission for postsecondary education
41 for increases in the leveraging educational assistance partnership line
42 item.

43 Sec. 34. Supplemental appropriation; department of weights and
44 measures

45 The sum of \$199,200 is appropriated from the motor vehicle liability
46 insurance enforcement fund in fiscal year 2008-2009 to the department of
47 weights and measures for supplemental funding for increased enforcement of
48 taxi licensing and inspections.

1 Sec. 35. Supplemental appropriation; state land department

2 The sum of \$40,000 is appropriated to the state land department from
3 the environmental special plate fund in fiscal year 2008-2009 for the natural
4 resource conservation districts line item.

5 Sec. 36. Supplemental appropriation; state board of
6 psychologist examiners

7 The sum of \$13,500 is appropriated from the board of psychologist
8 examiners fund in fiscal year 2008-2009 to the state board of psychologist
9 examiners for supplemental funding for board member reimbursement and other
10 operating expenditures.

11 Sec. 37. Supplemental appropriation; board of homeopathic
12 medical examiners

13 The sum of \$22,400 is appropriated from the board of homeopathic
14 medical examiners' fund in fiscal year 2008-2009 to the board of homeopathic
15 medical examiners for supplemental funding to comply with auditor general
16 performance audit recommendations.

17 Sec. 38. Supplemental appropriation; department of commerce

18 The sum of \$750,000 and 4 FTE positions is appropriated to the
19 department of commerce from the commerce and economic development fund in
20 fiscal year 2008-2009 to provide supplemental funding to offset a state
21 general fund reduction.

22 Sec. 39. Supplemental appropriation; Arizona pioneers' home

23 The sum of \$1,236,000 is appropriated from the miners' hospital fund in
24 fiscal year 2008-2009 to the Arizona pioneers' home to provide supplemental
25 funding to offset a state general fund reduction.

26 Sec. 40. Supplemental appropriations; department of
27 environmental quality

28 A. The sum of \$2,000,000 is appropriated from the indirect cost
29 recovery fund in fiscal year 2008-2009 to the department of environmental
30 quality to provide supplemental funding to offset a state general fund
31 reduction.

32 B. The sum of \$5,000,000 is appropriated from the clean water
33 revolving fund in fiscal year 2008-2009 to the department of environmental
34 quality to provide supplemental funding to offset a state general fund
35 reduction.

36 Sec. 41. Supplemental appropriation; department of emergency
37 and military affairs

38 The sum of \$104,200 and 1 FTE position are appropriated from the state
39 general fund in fiscal year 2008-2009 to the department of emergency and
40 military affairs for supplemental funding for the transfer of 2-1-1 services
41 from GITA.

42 Sec. 42. Supplemental appropriation; attorney general

43 The sum of \$1,700,000 is appropriated from the consumer fraud revolving
44 fund in fiscal year 2008-2009 to the attorney general for expenditures
45 relating to the master settlement agreement litigation.

Sec. 43. Supplemental appropriation; department of water resources

The sum of \$6,900,000 is appropriated from the water banking fund in fiscal year 2008-2009 to the department of water resources to provide supplemental funding to offset a state general fund reduction.

Sec. 44. Appropriation; operating adjustments; annualization
2008-09

State employee health insurance adjustments \$ 4,003,300

Fund sources:

State general fund \$ 2,291,500
Other appropriated funds 1,711,800

State employee retirement adjustments \$ 1,836,500

Fund sources:

State general fund \$ 1,025,500
Other appropriated funds 811,000

State employee salary adjustments \$ 12,365,200

Fund sources:

State general fund \$ 6,584,200
Other appropriated funds 5,781,000

State-owned space rent adjustments \$ 2,009,900

Fund sources:

State general fund \$ 1,574,000
Other appropriated funds 435,900

State telecommunications adjustments \$ 913,800

Fund sources:

State general fund \$ 913,800

State lease-purchase and privatized-lease-to-own adjustments \$ 274,000

Fund sources:

State general fund \$ 274,000

Human resources pro rata adjustments \$ 76,900

Fund sources:

State general fund \$ 38,400
Other appropriated funds 38,500

Risk management adjustments \$ 292,000

Fund sources:

State general fund \$ 292,000

Assistant attorney general salary adjustments 2,906,200

Fund sources:

State general fund \$ 982,800
Other appropriated funds 1,923,400

The other appropriated funds may be allocated from the following funds: board of accountancy fund, acupuncture board of examiners fund, air permits administration fund, air quality fund, antitrust enforcement revolving fund, board of appraisal fund, Arizona arts trust fund, assured and adequate water

1 supply administration fund, attorney general legal services cost allocation
2 fund, Arizona automated fingerprint identification system fund, automobile
3 theft authority fund, automation operations fund, state aviation fund, board
4 of barbers fund, board of behavioral health examiners fund, Arizona benefits
5 fund, bond fund, capital outlay stabilization fund, state charitable fund,
6 child abuse prevention fund, child fatality review fund, child support
7 enforcement administration fund, children's health insurance program fund,
8 board of chiropractic examiners fund, citrus, fruit and vegetable revolving
9 fund, collection enforcement revolving fund, commerce and economic
10 development commission fund, commercial feed fund, confidential intermediary
11 and fiduciary fund, agricultural consulting and training fund, consumer
12 protection-consumer fraud revolving fund, corrections fund, board of
13 cosmetology fund, crime laboratory assessment fund, criminal justice
14 enhancement fund, county fair racing fund, court appointed special advocate
15 fund, defensive driving school fund, dental board fund, Arizona
16 deoxyribonucleic acid identification system fund, board of dispensing
17 opticians fund, driving under the influence abatement fund, drug and gang
18 prevention resource center fund, state education fund for committed youth,
19 state education fund for correctional education, state egg inspection fund,
20 election systems improvement fund, emergency medical services operating fund,
21 emissions inspection fund, environmental laboratory licensure revolving fund,
22 estate and unclaimed property fund, Arizona exposition and state fair fund,
23 federal child care and development fund block grant, federal Reed act grant,
24 federal surplus materials revolving fund, federal temporary assistance for
25 needy families block grant, fertilizer materials fund, board of funeral
26 directors' and embalmers' fund, fingerprint clearance card fund, game and
27 fish fund, game, nongame, fish and endangered species fund, hazardous waste
28 management fund, healthcare group fund, hearing and speech professionals
29 fund, state highway fund, Arizona highway patrol fund, highway user revenue
30 fund, board of homeopathic medical examiners' fund, housing trust fund, DHS
31 indirect cost fund, ADEQ indirect cost recovery fund, industrial commission
32 administrative fund, information technology fund, interagency service
33 agreements fund, intergovernmental agreements and grants, investment
34 management regulatory and enforcement fund, judicial collection enhancement
35 fund, land conservation fund administration account, lease-purchase building
36 operating and maintenance fund, liability set-off fund, long-term care system
37 fund, long-term disability administration account, state lottery fund,
38 Arizona medical board fund, the miners' hospital for disabled miners land
39 fund, motor vehicle liability insurance enforcement fund, motor vehicle pool
40 revolving fund, naturopathic physicians board of medical examiners fund,
41 newborn screening program fund, board of nursing fund, nursing care
42 institution administrators' licensing and assisted living facility managers'
43 certification fund, occupational therapy fund, oil overcharge fund, board of
44 optometry fund, board of osteopathic examiners fund, state parks enhancement
45 fund, penitentiary land fund, personnel division fund, pesticide fund,
46 Arizona state board of pharmacy fund, board of physical therapy fund,
47 podiatry fund, postsecondary education fund, prison construction and
48 operations fund, board for private postsecondary education fund, professional

1 employer organization fund, Arizona protected native plant fund, board of
2 psychologist examiners fund, public access fund, public assistance
3 collections fund, racing administration fund, state radiologic technologist
4 certification fund, records services fund, recycling fund, registrar of
5 contractors fund, reservation surcharge revolving fund, residential utility
6 consumer office revolving fund, board of respiratory care examiners fund,
7 state retirement system administration account, risk management revolving
8 fund, safety enforcement and transportation infrastructure fund, Arizona
9 schools for the deaf and the blind fund, securities regulatory and
10 enforcement fund, seed law fund, solid waste fee fund, special administration
11 fund, special employee health insurance trust fund, special services
12 revolving fund, spinal and head injuries trust fund, state aid to the courts
13 fund, Arizona state hospital fund, state board of equalization fund, state
14 surplus materials revolving fund, structural pest control commission fund,
15 substance abuse services fund, teacher certification fund, technical
16 registration fund, telecommunications fund, telecommunication fund for the
17 deaf, telecommunications excise tax fund, tobacco tax and health care fund,
18 transportation department equipment fund, tribal-state compact fund, used oil
19 fund, utility regulation revolving fund, vehicle inspection and title
20 enforcement fund, state veterans' conservatorship fund, state home for
21 veterans' trust fund, veterinary medical examining board fund, victims'
22 rights fund, vital records electronic systems fund, watercraft licensing
23 fund, waterfowl conservation fund, water quality fee fund and workforce
24 investment act grant.

25 State employee health insurance adjustments

26 The amount appropriated for state employee health insurance adjustments
27 shall be for annualizing fiscal year 2007-2008 increases in the employer
28 share of state employee health insurance premiums in agencies receiving
29 fiscal year 2008-2009 appropriations in Laws 2007, chapter 255. The joint
30 legislative budget committee staff shall determine and the department of
31 administration shall allocate to each agency's or department's
32 employee-related expenditures an amount for the employer share of the
33 employee health insurance increases. The joint legislative budget committee
34 staff shall also determine and the department of administration shall
35 allocate adjustments, as necessary, in expenditure authority to allow
36 implementation of state employee health insurance adjustments.

37 State employee retirement adjustments

38 The amount appropriated for state employee retirement contribution
39 adjustments shall be for annualizing fiscal year 2007-2008 increases in the
40 employer share of state employee retirement contributions in agencies
41 receiving fiscal year 2008-2009 appropriations in Laws 2007, chapter 255.
42 The joint legislative budget committee staff shall determine and the
43 department of administration shall allocate to each agency's or department's
44 employee-related expenditures an amount for the employer share of the
45 employee retirement contribution increase. The joint legislative budget
46 committee staff shall also determine and the department of administration
47 shall allocate adjustments, as necessary, in expenditure authority to allow
48 implementation of state employee retirement contribution adjustments.

1 Salary adjustments

2 The amount appropriated for salary adjustments includes personal
3 services and employee-related expenditures for state officers and employees
4 in accordance with this act.

5 For fiscal year 2008-2009, the joint legislative budget committee staff
6 shall determine and the department of administration shall allocate to each
7 agency or department an amount for annualizing fiscal year 2007-2008
8 adjustments in agencies receiving fiscal year 2008-2009 appropriations in
9 Laws 2007, chapter 255. The joint legislative budget committee staff shall
10 also determine and the department of administration shall allocate
11 adjustments, as necessary, in expenditure authority to allow implementation
12 of salary adjustments.

13 State owned space rent adjustments

14 The amount appropriated for agency rent adjustments shall be used for
15 annualizing fiscal year 2007-2008 adjustments for state owned space increases
16 from \$15.50 per square foot to \$19.50 per square foot for office space, and
17 increases from \$6.00 per square foot to \$7.00 per square foot for storage
18 space in agencies receiving fiscal year 2008-2009 appropriations in Laws
19 2007, chapter 255.

20 For fiscal year 2008-2009, the joint legislative budget committee staff
21 shall determine and the department of administration shall allocate to each
22 agency or department an amount for annualizing fiscal year 2007-2008
23 adjustments in agencies receiving fiscal year 2008-2009 appropriations in
24 Laws 2007, chapter 255.

25 State telecommunications adjustments

26 The amount appropriated for state telecommunications adjustments shall
27 be to annualize fiscal year 2006-2007 increases and for fiscal year 2007-2008
28 adjustments in agency or department telecommunication charges in agencies
29 receiving fiscal year 2008-2009 appropriations in Laws 2007, chapter 255.
30 The joint legislative budget committee staff shall determine and the
31 department of administration shall allocate to each agency or department an
32 amount for the contribution increase. The joint legislative budget committee
33 staff shall also determine and the department of administration shall
34 allocate adjustments, as necessary, in expenditure authority to allow
35 implementation of state telecommunications adjustments.

36 State lease-purchase and privatized-lease-to-own adjustments

37 The amount appropriated for state lease-purchase and
38 privatized-lease-to-own adjustments shall be for annualizing fiscal year
39 2007-2008 adjustments in agency or department lease-purchase and
40 privatized-lease-to-own charges in agencies receiving fiscal year 2008-2009
41 appropriations in Laws 2007, chapter 255. The joint legislative budget
42 committee staff shall determine and the department of administration shall
43 allocate to each agency or department an amount for the contribution
44 increase. The joint legislative budget committee staff shall also determine
45 and the department of administration shall allocate adjustments, as
46 necessary, in expenditure authority to allow implementation of state
47 lease-purchase and privatized-lease-to-own adjustments.

1 Human resources pro rata adjustments

2 The amount appropriated for state human resources pro rata adjustments
3 shall be for annualizing increased fiscal year 2007-2008 rates in agency or
4 department human resources pro rata charges in agencies receiving fiscal year
5 2008-2009 appropriations in Laws 2007, chapter 255. The joint legislative
6 budget committee staff shall determine and the department of administration
7 shall allocate to each agency or department an amount for the contribution
8 increase. The joint legislative budget committee staff shall also determine
9 and the department of administration shall allocate adjustments, as
10 necessary, in expenditure authority to allow implementation of state human
11 resources pro rata adjustments.

12 Risk management adjustments

13 The amount appropriated for state risk management adjustments shall be
14 for annualizing new fiscal year 2007-2008 adjustments in agency or department
15 risk management charges in agencies receiving fiscal year 2008-2009
16 appropriations in Laws 2007, chapter 255. The joint legislative budget
17 committee staff shall determine and the department of administration shall
18 allocate to each agency or department an amount for the contribution
19 increase. The joint legislative budget committee staff shall also determine
20 and the department of administration shall allocate adjustments, as
21 necessary, in expenditure authority to allow implementation of state risk
22 management adjustments.

23 Assistant attorney general salary adjustments

24 For fiscal year 2008-2009, the joint legislative budget committee staff
25 shall determine and the department of administration shall allocate to the
26 office of the attorney general and its client agencies the amount necessary
27 to annualize a fiscal year 2007-2008 salary adjustment to assistant attorney
28 generals. The amount of the salary adjustment for each assistant attorney
29 general shall be determined by the attorney general and is in addition to the
30 statewide salary adjustment provided by this section.

31 Of the total \$982,800 general fund allocations, \$859,100 is for
32 distribution to the attorney general, \$83,900 is for distribution to agencies
33 that pay interagency service agreements with general fund appropriations, and
34 \$39,800 is for distribution to agencies that pay the attorney general pro
35 rata charge with general fund appropriations. Of the total \$1,923,400 other
36 appropriated fund allocation, \$1,638,500 is for distribution to the attorney
37 general, \$18,800 is for distribution to the game and fish department,
38 \$244,300 is for distribution to agencies that pay interagency service
39 agreements with other appropriated fund appropriations, and \$21,800 is for
40 distribution to agencies that pay the attorney general pro rata charge with
41 other appropriated fund appropriations.

42 Sec. 45. State employee retirement adjustment; information
43 technology adjustments; state owned space rent
44 adjustments; state lease-purchase and privatized
45 lease-to-own adjustments

46 State employee retirement adjustment \$10,694,000

47 Fund sources:

48 State general fund \$ 9,033,400

1	Other appropriated funds	1,660,600
2	Information technology planning	
3	adjustment	\$ 602,700
4	Fund sources:	
5	State general fund	\$ 375,000
6	Other appropriated funds	227,700
7	State owned space rent adjustments	\$ 1,340,000
8	Fund sources:	
9	State general fund	\$ 1,060,000
10	Other appropriated funds	280,000
11	State lease-purchase and privatized	
12	lease-to-own adjustments	\$ (150,000)
13	Fund sources:	
14	Other appropriated funds	\$ (150,000)

15 The other appropriated funds may be allocated from the funds listed in
16 section 44 of this act, relating to operating adjustments.

17 The amount appropriated for state employee retirement contribution
18 adjustments shall be for fiscal year 2008-2009 increases in the employer
19 share of state employee retirement contributions. The joint legislative
20 budget committee staff shall determine and the department of administration
21 shall allocate to each agency's or department's employee-related expenditures
22 an amount for the employer share of the employee retirement contribution
23 increase. The joint legislative budget committee staff shall also determine
24 and the department of administration shall allocate adjustments, as
25 necessary, in expenditure authority to allow implementation of state employee
26 retirement contribution adjustments.

27 The joint legislative budget committee staff shall determine and the
28 department of administration shall allocate to each agency's or department's
29 personal services an amount for the adjustment. The joint legislative budget
30 committee staff shall also determine and the department of administration
31 shall allocate adjustments, as necessary, in expenditure authority to allow
32 implementation of information technology planning adjustments.

33 The amount appropriated for rent adjustments shall be used to fund
34 agency rent charges for state owned space increases from \$19.50 per square
35 foot to \$21.02 per square foot for office space and increases from \$7.00 per
36 square foot to \$7.62 per square foot for storage space.

37 For fiscal year 2008-2009, the joint legislative budget committee staff
38 shall determine and the department of administration shall allocate to each
39 agency or department an amount for these adjustments.

40 The amount appropriated for state lease-purchase and privatized
41 lease-to-own adjustments shall be for fiscal year 2008-2009 adjustments in
42 agency or department lease-purchase and privatized lease-to-own charges. The
43 joint legislative budget committee staff shall determine and the department
44 of administration shall allocate to each agency or department an amount for
45 the contribution increase. The joint legislative budget committee staff
46 shall also determine and the department of administration shall allocate
47 adjustments, as necessary, in expenditure authority to allow implementation
48 of state lease-purchase and privatized lease-to-own adjustments.

1 Sec. 46. Hiring appropriations; fiscal year 2007-2008;
2 revertment

3 A. Notwithstanding any other law, \$5,309,300 appropriated from the
4 state general fund and \$4,690,700 appropriated from other state funds that
5 were appropriated to state budget units for fiscal year 2008-2009 and from
6 nonfederal nonappropriated funds for hiring of state employees shall not be
7 expended or encumbered. The governor's office of strategic planning and
8 budgeting and the joint legislative budget committee shall determine and the
9 department of administration shall allocate the amount of the revertment or
10 transfer to each state agency or department.

11 B. The amounts determined pursuant to subsection A shall remain in or
12 be reverted or transferred to the state general fund on the effective date of
13 this act.

14 Sec. 47. Legislative intent; expenditure reporting

15 It is the intent of the legislature that all departments, agencies or
16 budget units receiving appropriations under the terms of this act shall
17 continue to report actual, estimated and requested expenditures by budget
18 programs and budget classes in a format that is similar to the budget
19 programs and budget classes used for budgetary purposes in prior years. A
20 different format may be used if deemed necessary to implement section 35-113,
21 Arizona Revised Statutes, agreed to by the director of the joint legislative
22 budget committee and incorporated into the budget preparation instructions
23 adopted by the governor's office of strategic planning and budgeting pursuant
24 to section 35-112, Arizona Revised Statutes.

25 Sec. 48. FTE positions; reporting; definition

26 Full-time equivalent (FTE) positions contained in this act are subject
27 to appropriation. The director of the department of administration shall
28 account for the use of all appropriated FTE positions excluding those in the
29 department of economic security, the universities and the department of
30 environmental quality. The director shall submit the fiscal year 2008-2009
31 report by August 1, 2009 to the director of the joint legislative budget
32 committee. The reports shall compare the level of FTE usage in each fiscal
33 year to the appropriated level. For the purposes of this section, "FTE
34 positions" shall mean the total number of hours worked, including both
35 regular and overtime hours as well as hours taken as leave, divided by the
36 number of hours in a work year. The director of the department of
37 administration shall notify the director of each budget unit if the budget
38 unit has exceeded its number of appropriated FTE positions. The above
39 excluded agencies shall each report to the director of the joint legislative
40 budget committee in a manner comparable to the department of administration
41 reporting.

1 Sec. 49. Filled FTE positions; reporting

2 By October 1, 2008, each agency, including the judiciary and
3 universities, shall submit a report to the director of the joint legislative
4 budget committee on the number of filled, appropriated FTE positions by fund
5 source. The number of filled, appropriated FTE positions reported shall be
6 as of September 1, 2008.

7 Sec. 50. Performance measure results; reporting

8 As part of its fiscal year 2009-2010 budget request, agencies shall
9 submit the fiscal year 2007-2008 result for the performance measures listed
10 in this act. Agencies receiving fiscal year 2008-2009 budgets in Laws 2007,
11 chapter 235, shall submit the fiscal year 2007-2008 result for the
12 performance measures listed in that act as part of their fiscal year
13 2009-2010 budget request. If an agency fails to submit this information, it
14 shall submit a report to the joint legislative budget committee staff and the
15 office of strategic planning and budgeting as part of its fiscal year
16 2009-2010 budget request on why the agency failed to submit its results for
17 the performance measure.

18 Sec. 51. Transfer of spending authority

19 The department of administration shall report monthly to the director
20 of the joint legislative budget committee on any transfers of spending
21 authority made pursuant to section 35-173, subsection C, Arizona Revised
22 Statutes, during the prior month.

23 Sec. 52. Interim reporting requirements

24 A. State general fund revenue for fiscal year 2007-2008, not including
25 the beginning balance and including one-time revenues, is forecasted to be
26 \$9,138,365,500.

27 B. State general fund revenue for fiscal year 2008-2009, not including
28 the beginning balance and including one-time revenues, is forecasted to be
29 \$9,982,561,400.

30 C. The executive branch shall provide to the joint legislative budget
31 committee a preliminary estimate of the fiscal year 2007-2008 state general
32 fund ending balance by September 15, 2008. The preliminary estimate of the
33 fiscal year 2008-2009 state general fund ending balance shall be provided by
34 September 15, 2009. The estimate shall include projections of total
35 revenues, total expenditures and ending balance. The department of
36 administration shall continue to provide the final report for the fiscal year
37 in its annual financial report pursuant to section 35-131, Arizona Revised
38 Statutes.

39 D. Based on the information provided by the executive branch, the
40 staff of the joint legislative budget committee shall report to the joint
41 legislative budget committee by October 15 of 2008 and 2009 as to whether
42 that fiscal year's revenues and ending balance are expected to change by more
43 than \$50,000,000 from the budgeted projections. The executive branch may
44 also provide its own estimates to the joint legislative budget committee by
45 October 15 of each year.

1 Sec. 53. Definition
2 For the purposes of this act, "expenditure authority" means that the
3 fund sources are continuously appropriated monies that are included in the
4 individual line items of appropriations.
5 Sec. 54. Definition
6 For the purposes of this act, "review by the joint legislative budget
7 committee" means a review by a vote of a majority of a quorum of the
8 members."
9 Amend title to conform

06/25/2008

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